DOCUMENT RESUME

ED 400 388 CE 072 684

AUTHOR	Leach, Fiona, Ed.
TITLE	Education and Training for the Informal Sector, Volume 2: Country Case Studies. Occasional Papers on Education, Serial No. 11.
INSTITUTION	Overseas Development Administration, London (England).
REPORT NO	ISBN-0-902500-60-0
PUB DATE	Mar 95
NOTE	194p.; For volume 1, see CE 072 683.
PUB TYPE	Reports - Descriptive (141)
EDRS PRICE	MF01/PC08 Plus Postage.
DESCRIPTORS	Adult Education; Case Studies; Educational Research; *Entrepreneurship; Females; Government Role; National Programs; *Nonformal Education; Postsecondary Education; Secondary Education; *Self Employment; Small Businesses; *Vocational Education; *Womens Education
IDENTIFIERS	Chile; Ghana; India; *Informal Education; Kenya

ABSTRACT

This publication is a companion volume to a research report that examined local, national, and international interventions and initiatives aimed at promoting education and training for the informal sector. It provides four case studies on types of initiatives being taken by a wide range of actors in the area of education and training. "Ghana" (Osei Boeh-Ocansey) addresses how the government realizes that employment opportunities in the formal sector of the economy will continue to be limited; therefore, educational reforms are now emphasizing the acquisition of skills that promote self-employment and entrepreneurship. "Kenya" (Henry Oketch) reviews strategies that individuals, the government, and nonprofit organizations are using to improve skills in the informal sector. It identifies nine different types of agencies or processes providing skills for self-employment. "India" (Keith D'Souza, Liza Thomas) focuses on the activities of four nongovernmental organizations working in the field of nonformal education in the state of Gujarat. Their emphasis is on capacity building rather than on employment generation or job skill development. "Chile" (Graciela Messina) compares two training programs for unemployed youth to develop a series of reflections on the role that training for the informal sector ought to play. It concludes that the government is more concerned with employment policies than with training policies. (YLB)

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ED 400 388

EDUCATION RESEARCH

EDUCATION AND TRAINING FOR THE INFORMAL SECTOR

Volume 2

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EDUCATION RESEARCH

EDUCATION AND TRAINING FOR THE INFORMAL SECTOR

CASE STUDIES

REGION: AFRICA

1. GHANA: Osei Boeh-Ocansey
2. KENYA: Henry Oketch

REGION: ASIA

3. INDIA: Keith D'Souza and Liza Thomas

REGION: LATIN AMERICA

4. CHILE: Graciela Messina

The main report associated with these Case Studies is available as Volume 1

Edited

by

Fiona Leach

Volume 2: Country Studies

Serial No. 11
March 1995
ISBN: 0 902500 60 0

This is the companion volume to a report commissioned by the Overseas Development Administration (Education Division) entitled 'Education and Training for the Informal Sector' by Simon McGrath and Kenneth King with Fiona Leach and Roy Carr-Hill (January 1994)

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EDUCATION AND TRAINING FOR THE INFORMAL SECTOR

VOLUME II: COUNTRY STUDIES

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INTRODUCTION

This is the companion volume to a research report on `Education and Training for the Informal Sector' by S. McGrath and K. King with F. Leach and R. Carr-Hill, which was commissioned by ODA (Education Division) and completed in January 1994. The main report examined local, national and international interventions and initiatives aimed at promoting education and training for the informal sector. These were situated both within and outside the formal educational system. The information on which the report is based was drawn from the extensive and constantly expanding literature on the subject of Technical and Vocational Education and Training (TVET) and training for self-employment, as well as on the country studies commissioned as part of this research project.

With regard to formal education, the report considers recent reforms around the world which are attempting to provide a school curriculum which meets the future employment needs of young people, in particular in self-employment, to a greater extent than has been the case in the past. In non-formal education it examines an extraordinary wealth of projects and programmes in a large number of settings. While highlighting the general lack of success of many of the individual initiatives and reforms, it also attempts to pinpoint the strengths in what is on offer and to identify innovative practices which might serve as examples of what can be achieved with limited resources. At the same time it seeks to pass on a very strong message regarding the importance of considering the specific context, culture and environment in which these interventions and initiatives are operating, which precludes any generalisations.

BACKGROUND TO THE RESEARCH

Policy-makers in both industrial and developing countries as well as international donors have been showing increased interest in the informal sector. There is now the realization that growth in the formal `modern' sector of the economy has slowed down in many countries (parts of Latin America and South-East and East Asia providing the main exceptions), and in some cases is experiencing shrinkage (especially where structural adjustment programmes, most notably in Africa, and the sudden shift to a market economy, as in the Eastern European countries, have demanded massive cuts in public sector employment). In particular in the low-income agricultural economies of Africa, and parts of Asia and Latin America, the restrictions on growth imposed by debt burdens, structural adjustment and a continuing reliance on export commodities have been compounded by a low knowledge base in science and technology. Governments have somewhat belatedly realized that for the foreseeable future they will be unable to compete with the major industrial powers or even with some of their regional neighbours in modern forms of mass production, and that the modern sector will not prove to be the engine of growth for their expanding and increasingly youthful populations, to the extent that was originally hoped.

This realization that significant expansion in manpower demands for the formal sector is unlikely, combined with growing concern over rising youth unemployment with its accompanying risk of social unrest, has focused policymakers' attention on the informal sector, which in most cases is growing at a consistently faster rate than the modern sector ever did. It is here that the greatest employment opportunities for young people are likely to be found, at least in the foreseeable future. As the formal sector shrinks and the informal sector expands, the latter ceases to be regarded as a residual and unimportant category of the economy and becomes a serious subject of policy.

At the same time, there is continuing dissatisfaction with the way that formal education has failed to prepare young people for the world of work. At the World Conference on Education for All (WCEFA), which was held in Jomtien, Thailand in March 1990, considerable commitment was made by participating nations and by international donors to work towards Education for All (EFA), with the result that much attention has been focused since that event on improving both access and quality with regard to basic education. However little was said at the time of the conference about the work and employment consequences of moving towards EFA. The question asked on page 1 of our report for ODA was:

> If a nation did strive to provide 'universal access to, and completion of primary education' and if it sought to secure a 'real improvement in learning achievement' (WCEFA 1990), would that translate into more productive work? Would expenditure on basic schooling and literacy somehow translate into a better, more productive workforce?

There is no certain answer to this question. For some there is the deep-rooted suspicion that formal education actually discourages productive work and in particular self-employment, by offering young people the opportunity to aspire to white collar jobs either in the public or private formal sectors, while for others it is a question of making formal education more relevant, especially through teaching practical and entrepreneurial skills (and many governments have recently renewed their efforts in this field). The debate continues around the issue of whether a good level of general literacy and numeracy, or explicitly vocational skills offer the better preparation for work.

At the post-primary/post-basic level, increasing attention has been paid to TVET, which so far appears not to have provided much satisfactory preparation for work. Much of the discussion at the secondary level has revolved around such questions as: What forms of TVET are most appropriate in different settings? Should it be provided in schools, in non-formal training centres or in the enterprises themselves? Should the traditional vocational emphasis on industrial and artisanal skills be replaced by a new focus on business and entrepreneurial skills, as being those that are crucial for gainful self-employment? The case studies reveal an enormous diversity in the kind of education and training opportunities available in each country beyond the post-basic education cycle, ranging from Kenya and Ghana's efforts to provide a more balanced and focused curriculum at the secondary level including skills provision for both employment and self-employment, to the Chilean strategy of promoting private training agencies and enterprise-based training, to India's long-standing emphasis on voluntary work by non-governmental organisations (NGOs) aimed at providing disadvantaged groups with the means to lift themselves out of extreme poverty.

At the same time, pragmatists realize that education and training alone will not stimulate self-employment opportunities, either among those who have gone through the full formal education cycle or among those who have never attended, or who have dropped out of, formal schooling. They realize that the self-employed require an enabling environment if they are to prosper and expand their activities. Low-cost credit, new and improved technologies and supportive government policies, which must include the cessation of harrassment of small operators by local police and officials, are required. The case studies give a clear picture of how difficult it is for the small entrepreneur to survive in a policy environment which is largely hostile to informal sector activity.

THE CASE STUDIES

Much of the country-specific data and many of the examples of current practices and innovative programmes in education and training for the informal sector which were used in the main report have been drawn from four country studies commissioned as part of this research project. The four studies are from West Africa (Ghana), East Africa (Kenya), Asia (India) and Latin America (Chile). They provide a great wealth of information on the many types of initiatives being taken by a wide range of actors in the area of education and training, providing data and analyses which have probably never been gathered together in such a comprehensive manner before. Because of their potential value to policy-makers, donors, researchers and practitioners with an interest in education and training for the informal sector, the Overseas Development Administration (ODA) has kindly agreed to publish these country studies as a separate companion volume to the main report.

The point was made early on in the main report that initiatives for self-employment and informal sector development do not emerge as elements that can be easily isolated from a particular social, cultural and economic context. Innovations cannot be lifted from one institutional setting and grafted on to another which is fundamentally different. Hence the decision was taken to invite colleagues from developing countries to contribute case study material to this research project, so as to provide a valuable insight into the ways in which the notion of the informal sector relates to different traditions of schooling, training and economic activity that themselves are undergoing continuous change.

For their country studies, our colleagues in each of the four selected countries were asked to explore and report on the range of recent local, national and international interventions and initiatives in their country which were relevant to the orientation and re-orientation of education and training towards self-employment and income generation. Four different settings for this type of education and training were identified: regular schooling, post-basic schooling (including specialised technical and vocational schools and training centres, and national industrial training institutions), enterprise-based training, and training within the informal sector itself (most notably systems of apprenticeship).

The researchers were also asked to carry out a search of the recent literature in their country on the subject under study. Their country studies contain a large amount of valuable information from policy documents and reports on innovatory projects or programmes, which would otherwise have been inaccessible to outsiders. This is supplemented by personal interviews with key officials and personal observations. The researchers were also asked to identify and examine a number of key initiatives of recent origin as in-depth case studies which would illustrate some dimension of 'good practice' as well as of failure. There are eight short case studies in the case of Ghana, five from Kenya, four from India and two detailed and contrasting case studies from Chile. They cover government, donor, NGO and private initiatives. The researchers were then asked to elaborate on the lessons learnt from these key projects and programmes, and to consider some of the policy implications.

Although it was not possible to follow a uniform approach to collecting, analysing and presenting data because of time and geographical constraints, nevertheless the researchers were able to use this common framework and common set of questions in approaching their material. They did also have the opportunity to meet and discuss their findings together when they came to Britain in November 1993 on an ODA-sponsored visit (and attended a workshop in Turin on `Training for Self-Employment through Vocational Training Institutions' at the invitation of ILO).

Boeh-Ocansey's Ghanaian study is carried out against the backdrop of the Structural Adjustment Programme of the World Bank and IMF. The sectoral reforms initiated under this programme have encouraged private sector involvement in education and training and the re-deployment of many government workers, some of whom have obtained places on training programmes for self-employment. Boeh-Ocansey reviews a wide range of initiatives. These include, in the formal education system, government attempts to reorganize the basic cycle of regular schooling towards the needs of self-employment in the informal sector, and recent changes at secondary and post-secondary levels. Outside the formal education system, initiatives include programmes aimed at training in income generating skills for youths who have missed all or part of the basic education cycle; programmes specifically oriented towards informal sector practitioners; and programmes which seek to identify and encourage those already in formal sector employment who show an interest in moving into the informal sector.

Boeh-Ocansey's study reveals that, with government realization that employment opportunities in the formal sector of the economy will continue to be limited, educational reforms in Ghana are now emphasizing the acquisition of skills which promote self-employment and entrepreneurship. TVET is being strengthened and non-formal education expanded and improved. However these initiatives will only be meaningful if they are adequately evaluated and judged cost-effective. He notes an alarming lack of evaluation of projects and programmes offering training for the informal sector, in particular in terms of what happens to trainees once they have completed their training, with the result that it is impossible to judge how successful such initiatives are in actually helping people find productive work.

At the same time, the author notes the continuing low level of morale among teachers and the outflow of experienced professionals from teaching to other occupations, the lack of experienced teachers in scientific, technical and vocational subjects, the continuing disparity in quality between urban and rual institutions, and inadequate facilities and resources brought about by acute financial constraints in the Ghanaian economy, all of which are potential impediments to the success of the initiatives detailed in the study. This is a situation which is replicated in many developing countries.

Finally, the author warns that the informal sector will never be a prosperous viable form of employment while it continues to concentrate on traditional indigenous productive activities. Training for the informal sector needs to produce modern aggressive entrepreneurs whose products and services are of a high standard and competitive in international markets.

Oketch's study of Kenya reviews strategies that individuals, the government and non profit-seeking organisations are using to improve skills in the informal sector. Statistics given by Oketch show that the greatest number of job opportunities (75.7%) in Kenya are to be found in the informal sector rather than in the modern wage sector or in agriculture. Since 1983 employment in the informal sector has been growing at the rate of 14% p.a., more than three times that of the formal sector. At the same time, however, the gap between manpower supply and job opportunities in both the formal and the informal sectors is increasing. In recognition of this, one strategy adopted by the Kenyan government to stimulate employment opportunities has been to formulate specific education and training policies for the informal sector. Of the four countries studied, Kenya has gone the furthest in attempting to radically transform formal education to meet the needs of the labour market and especially self-employment and income generation. For example, under the reformed educational system (8-4-4), the subject of entrepreneurial education has recently been introduced at the upper primary level alongside some practical subjects, with a range of technical and business studies also being offered at secondary level.

However Oketch suggests that the 8-4-4 reforms have not been successful, largely because they were introduced too rapidly, with inadequate resources, including a lack of specialist teachers, workshops and equipment. As a result, negative attitudes continue towards practical education, technical skills remain poor, and pupils are still preoccupied with passing examinations in academic subjects. Oketch suggests that the educational reforms have failed to assist young people into self-employment, and evidence for this is to be found in the fact that among the self-employed there is very little publicly funded training. Most people in the informal sector continue to receive training through the traditional apprenticeship route.

Nevertheless Kenya offers a wide range of training opportunities for self-employment both in the formal and non-formal education systems. Oketch identifies nine different types of agencies or processes providing skills for self-employment. Kenya has over 600 institutions involved in technical and vocational training for school leavers, of which the Youth Polytechnics are probably the best known. There are also 50 NGOs offering some kind of training to informal sector operators. However Oketch draws the depressing conclusion that the two most successful processes of skill enhancement in the informal sector are based not on government or NGO initiatives, but rather on the initiatives of informal sector operators themselves, namely apprenticeship, and the individual's own decision to move from wage employment to self-employment.

The Indian study by D'Souza and Thomas is set against a background of a high proportion of economic activity taking place in the informal sector, with an estimated 85-90% of the total workforce engaged in it (if one includes agricultural activity), as well as very high levels of unemployment (during 1992-97 an estimated 58 million people in India will be looking for employment, rising to 94 million during 1993-2002).

This review focuses on the activities of four NGOs working in the field of non-formal education in the state of Gujarat. It found that all four had targeted their efforts at the marginalized and deprived and had linked their education and training activities to socio-economic development. Their emphasis was on capacity building rather than on employment generation or job skill development per se. Indeed the NGOs preferred to develop activities which would supplement rather than substitute existing employment or income generating activities. Their approach was long-term, emphasising community-based economic activity, often through cooperatives, and sustainable development through people's participation and the sharing of responsibility in the development process. Effective training for income generation was seen as requiring conscientization to be effective. Finally, they all emphasized education and training that was relevant to the specific socio-economic contexts of the client or beneficiary groups, and indeed their success was seen as dependent upon this.

In the authors' opinion, the projects were all more concerned with social mobilization, social justice and equity than with economic efficiency or productivity, which perhaps explains why they were successful in bringing about socio-psychological change in their target groups but little improvement in economic wealth and income generation. Although they were able to improve the subsistence employment of the communities they were seeking to assist, they were unable to promote employment of a kind that would bring substantial gains for individuals or communities. The authors conclude that one reason for this was that they had attempted to build on traditional economic activities (agriculture, forestry, cottage or home industries). None of them seemed inclined to develop competencies for non-traditional modern industrial occupations and indeed only one of the four NGOs would have had any capability for doing this. Moreover the low level of education among the beneficiaries would have made it difficult for them to acquire the necessary skills for industrial entrepreneurship.

The Chilean case study by Messina is based on two training programmes for unemployed youth which are presented and then compared in order to develop a series of reflections on the role that training for the informal sector ought to play, within the framework of adjustments and 'modernizing productive transformation' processes currently taking place in Latin America.

Messina concludes that the Chilean government is more concerned with employment policies, especially for the modern sector, than with training policies. Public training programmes are geared towards socially critical and short or medium term conflict-carrying populations (low income urban sectors, particularly the young and female heads of household) in an attempt to integrate them into the modern urban sector as a reserve army of labour. Places on these programmes are taken up predominantly by males, women being catered for by small scale state programmes offering wage-earning placements, self-employment or micro-enterprise. Training activities for the informal sector are limited to micro-experiences developed by NGOs which are also aimed at the more vulnerable groups: young people hardest hit by marginality, women of limited means who are heads of household. The state has assumed the social task of training within a neo-liberal context dominated by the business sector, but has yet to create a training system or flexible, participative, and medium term educational institutions. As elsewhere in Latin America, training programmes tend to be under the authority of the Ministry of Labour and Social Work or the Ministry of Economic Affairs, rather than the Ministry of Education.

AN OVERVIEW

As has already been emphasized, it is impossible to directly transfer understandings from one context to another. However, some general points can be made about education and training for work (not necessarily for the informal sector exclusively) based on the four country studies:

1. The studies have uncovered a large amount of activity in the area of education and training in all the countries concerned, but at the same time they have failed to produce much evidence of convincing success. In particular, evaluation of innovative projects and programmes as well as of system-wide reforms to formal education appears to be spasmodic and superficial.

2. There are many variations available, ranging from school-based initiatives to non-formal training schemes, to enterprise-based training and training within the informal sector itself. Within each of these settings, likewise, there is great variety: in the type of training offered, the agencies or individuals providing it, the groups targeted, and the duration, location and content of courses.

3. While the state appears to be more concerned with containment of the unemployment problem and mechanisms for getting young people into productive work, NGOs appear to be more interested in community regeneration and socio-economic development. This links up with the point made early on in the main report that there are two tiers of self-employment to be found in the informal sector: on the one hand the entrepreneurial tier (often using relatively up to date but small scale technology) and on the other, the much larger subsistence tier (using very low levels of technology and traditional skills). Nevertheless, despite a great deal of activity directed at disadvantaged groups, there is little evidence that programmes of skills training are able to reach the very poorest segments of the population.

4. In all but the Chilean case, there is strong recognition by the state of the importance and the potential for self-employment and income generation in the informal sector. In Chile great faith is still placed in policies and strategies that favour strengthening and expanding the modern sector of the economy, and in directing training efforts in that direction. Indeed it is the only country of the four where employment in the formal sector is still experiencing strong growth, and where the informal sector plays a relatively small role in economic activity (40%). On the basis of this evidence it may be possible to conclude (somewhat tentatively) that support for micro-entrepreneurial activity and the provision of training in this area is more prevalent where there is an over-staffed and inefficient public sector (mostly now under threat from structural adjustment agreements) and a small struggling modern sector.

5. There is consensus that education and training for self-employment will not on its own generate gainful economic activity. An enabling environment is also necessary, which should include access to credit, and supportive policies from a government committed to facilitating small-scale enterprise.

6. Many of the projects and programmes for disadvantaged groups described in the case studies sought to build on traditional skills (eg craft skills) rather than introduce the target

groups to new areas of potential economic activity. The one exception in this respect was again Chile, which does not have a developed traditional artisanal sector (most subsistence self-employment seems to be in the area of petty trading) or a strong system of traditional apprenticeship. At the same time, there appeared to be some consensus in the country studies that there was little scope for sustainable income in traditional small-scale areas of self-employment (in the main report this was found to be particularly the case for women), and that one of the functions of education and training for the informal sector should be to create dynamic entrepreneurs who are able to cope with changing demands for products and services in a competitive modern free-market economy.

EPILOGUE

Whilst these case studies do provide some material for comparative speculation on the subject of education and training for the informal sector, we would emphasise that, in the current global crisis of employment, their real value lies in understanding the different ways in which the relation between education, training and work is conceived of in different socio-economic contexts. Although there appear to be global trends towards marginalization and modernization, these will be translated very differently according to the prevailing social and economic conditions; and it is impossible to plan without an appreciation of those differences. These four pictures, compiled within a roughly comparable framework, are an invaluable contribution to that understanding.

Roy Carr-Hill and Fiona Leach

Institute of Education, University of London

May 1994

Education and Training for the Informal Sector

GHANA

by

Osei Boeh-Ocansey

University of Ghana

Legon-Accra, Ghana

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REFERENCES

ACRONYMS AND ABBREVIATIONS

AGI	Association of Ghana Industries
CIDA	Canadian International Development Agency
EDF	European Development Fund
EDII	Entrepreneurship Development Institute of India
GATE/GTZ	German Appropriate Technology Exchange
GATT	General Agreement on Trade and Tariffs
GDP	Gross Domestic Product
GEPC	Ghana Export Promotion Council
GRATIS	Ghana Regional Appropriate Technology Industrial Service
IAE	Institute of Adult Education
ILO	International Labour Organization
IMF	International Monetary Fund
ITC	International Trade Centre
ITDG	Intermediate Technology Development Group
ITTU	Intermediate Technology Transfer Unit
JSS	Junior Secondary School
MDPI	Management Development and Productivity Institute
NACVET	National Coordinating Committee for Technical and Vocational Education and Training
NBSSI	National Board for Small Scale Industries
NCWD	National Council on Women and Development

NFED	Non-Formal Education Division
NGO	Non Governmental Organization
NSS	National Service Secretariat, Accra
PEA	People's Educational Association
SAP	Structural Adjustment Programme
SME	Small and Micro-Enterprises
SNV	Netherlands Development Organization
SSS	Senior Secondary School
TCC	Technology Consultancy Centre, University of Science and Technology, Kumasi
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNIDO	United Nations Industrial Development Organisation
USAID	United States Agency for International Development
UNTCMD	United Nations Transnational Corporations and Management Division, formerly UN Centre for Transnational Corporations (UNCTC)
VSO	British Voluntary Service Overseas

ORGANISATIONS AND INSTITUTIONS CONTACTED/VISITED:

ACKNOWLEDGEMENT

1. Accra Technical Training Institute, Accra: J Budu-Smith
2. Accra Girls Secondary School, Accra
3. Aboma Primary and JSS, Teshie-Accra: Mrs A Amartey
4. Ada Rural Bank, Kasseh-Ada: F Therson-Cofie
5. Anfom Machine Shop, Light Industrial Area, Tema
6. Association of Ghana Industries, Trade Fair Centre, La-Accra: E Imbeah-Amoakuh
7. Association of Small Scale Industrialists, c/o AGI, La-Accra
8. Bank of Ghana, Accra, Fund for Small and Medium Enterprises: Ankrah L
9. Chorkor Fish Smokers Cooperative, Chorkor-Accra
10. Empretec-Ghana, Accra
11. Ghana Export Promotion Council, Accra
12. Ghana Regional Appropriate Technology Industrial Service, Tema
13. Ghana Association of Private Voluntary Organisations in Development, Accra: F Owusu
14. Institute of Adult Education, University of Ghana, Legon
15. Intermediate Technology Transfer Unit, Tema
16. Kumasi Technical Institute, Kumasi: Mrs Edna Fordjour
17. LTB-Schiewer Ghana Ltd., Accra: K Ofori-Bruku
18. Ministry ~~of~~ Education/Ghana Education Service, Accra
19. Ministry of Employment and Social Welfare, Accra
20. Ministry of Trade and Industry, Accra

21. Management Development and Productivity Institute, Accra

22. Morning Star Schools (Primary and JSS), Accra

23. National Investment Bank Training Centre, Accra: Annoh-Wiafe

24. National Coordinating Committee for Technical and Vocational Education and Training, Accra: Prof Abloh

25. National Board for Small Scale Industries, Accra

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29. Processed Foods and Spices Enterprise, Tema: Mrs Leticia Osafo-Addo

30. People's Educational Association, c/o Institute of Adult Education, Legon

31. Statistical Service, Accra

32. St Theresah's Women's Project, Nuaso, c/o Catholic Church Diocese, Agomenya

33. Sustainable End of Hunger Foundation (SEHUF), Madina: Dr (Mrs) Esther Ocloo

34. TechnoServe-Ghana, Accra: Kwasi Poku/Ms M Boateng

35. TAMS Cassava Processing Enterprise, Oyarifa: Mrs Tamakloe

36. University of Science and Technology, Kumasi: Dr S K Amenuke

37. West African Examinations Council, Accra

38. Wiamo Ventures Mushroom Project, Accra: D Sarpong-Manu

1. INTRODUCTION

The Government of Ghana embarked upon a Structural Adjustment Programme (SAP) in 1983 with the assistance of the World Bank and the International Monetary Fund (IMF). A number of sectoral reforms have been initiated since then, an important feature of which has been to strengthen the private sector. Interventions seeking to orient young people towards self-employment have been made and many workers in government jobs have been redeployed and encouraged by self-employment schemes to seek fortunes in the informal sector.

Attempts have been made to reorganize the basic cycle of regular schooling towards the needs of self-employment in the informal sector. These efforts are discussed in Section 2 of the report.

Similarly, changes have been introduced into the curriculum for post-basic schooling and secondary education. Programmes for secondary educational institutions are reviewed in Section 3.

In Section 4, attention is focused on programmes targeted at youths who might have missed all or part of the basic educational cycle. This report seeks to distinguish between viable activities and the more marginal undertakings of the informal sector. Training programmes for the latter are reviewed in this section. These activities are aimed at income generation; they provide an important supportive system for the survival of beneficiaries.

Post-secondary educational programmes are then discussed in Section 5 in relation to their orientation towards micro-enterprise development and the informal sector.

In Section 6, attention is drawn to specific programmes targeted particularly at informal sector practitioners already identified as active performers in viable projects.

Finally in Section 7, the report discusses programmes which seek to identify and encourage persons already engaged in formal sector employment who show an interest in entering the informal or micro-enterprise sector.

The types and examples of institutions in Ghana involved in training and their enrolment estimates for the year 1992 are summarized in Tables 1 and 2 for the formal and non-formal educational systems respectively.

1.1 Methodology

Visits were made to government ministries and interviews were held with Directors to obtain information about current policy and available documentation. Information was also gathered about programmes, projects and agencies within each ministry of relevance to education and training activities for the informal sector. Collaborating organizations outside the ministerial structure were also identified. Whenever possible the principal officers in charge of a programme or project or enterprise were contacted directly, interviewed and relevant documents obtained from them. Some on-going projects were also visited and their operations observed. In some instances the views of trainers, trainees, past beneficiaries and other concerned participants were sought.

2. BASIC EDUCATION

The first nine years of schooling constitute the basic educational cycle in Ghana. It consists of six years of primary and three years of junior secondary schooling. In legislation, basic education in Ghana is free, universal and compulsory for all children aged between 6 and 15 years.

2.1 Primary School

Primary education in Ghana is designed to lay foundations for inquiry and creativity in the child and thereby develop in young Ghanaians the ability to adapt constructively to a changing environment. To inculcate a spirit of good citizenship in the child as a basis for effective participation in national development, it is also primary education's role to develop sound moral attitudes in the child accompanied by a healthy appreciation of the child's cultural heritage and self-identity. After attending primary school, the child is expected to be able to read, write and effectively communicate, count and use numbers. It is also hoped that a firm foundation would have been laid for the development of manipulative and life skills to prepare the individual to function to his/her own, and the community's, advantage. To achieve these goals, the following subjects are learnt in primary school: Agriculture, Cultural Studies, English, Ghanaian Languages, Life Skills, Mathematics, Physical Education, Science, and Social Studies (Government of Ghana, 1988a).

In the 1991/92 school year, total enrolment in primary school was 2,001,000 of which 54.3% were male (Ministry of Education, 1993). The enrolment figure represented 64.3% of the population of children aged between 6 and 12 years (Statistical Service, Accra).

2.2 Junior Secondary School

The curriculum in junior secondary school (JSS) is designed to expose the pupil to basic pre-technical, pre-vocational and scientific skills and knowledge to enable him/her to discover aptitudes and potentialities that induce in him/her a desire for self-improvement, an understanding of his/her environment and an eagerness to contribute to its survival and development. The curriculum is also specifically designed to emphasise an appreciation of the use of the hand as well as the mind and orientate the pupil towards creative and productive effort.

In addition to the 9 subjects of the primary school curriculum, Technical Drawing, Pre-technical and Pre-vocational Skills as well as French (optional) are taught (Government of Ghana, 1988a). Each school specializes in 2 vocational subjects for which raw materials and expertise are locally available.

Total enrolment in Junior Secondary Schools for the 1991/92 school year was 604,200 of which 58.8% were male. In 1992, 165,000 candidates took the Basic Education Certificate Examinations to graduate from Junior Secondary School (Ministry of Education, 1993).

2.3 General Remarks On Basic Education

The total number of children enrolled in Primary and Junior Secondary Schools in Ghana in the 1991/92 school year was 2,605,200 representing 62.9% of the population of children aged between 6 and 15 years. Therefore 37% of children of school-going age in Ghana, the majority of whom are female, do not have access to basic education which has been declared free, universal and compulsory (Ministry of Education, 1993; Statistical Service, 1984). For the purpose of comparisons enrolments in 1960 and 1970 were 40.1% and 58.1% respectively of children of the same age group (Government of Ghana, 1972); in 1984, the enrolment figures peaked at 67.6%.

The types of training institutions in the formal system, their enrolment figures and gender representation for 1992 have been assembled in Table 1 (see annexe).

Progression in the basic educational cycle is based on continuous and guidance-related internal assessment by teachers. However at the end of the ninth year, certification is based on 40% internal and 60% external assessment. Terminal assessment is conducted by the West African Examinations Council. The Basic Education Certificate Examinations provide in general terms, the criteria for selection of students into Senior Secondary schools and other post-basic educational and training institutions.

The educational reforms make tremendous demands on teachers. Teacher education has therefore been reorientated to concentrate more on imparting skills rather than purely academic knowledge. Provision was therefore made for continuous in-service training for practising teachers. By 1992, 133,397 Primary and 51,794 Junior Secondary school teachers had been trained in the content and methodology of Mathematics, Science, Technical, Vocational and Life Skills and in Continuous Assessment. Heads of schools were also trained in school administration.

But, in general, the number of trained teachers is inadequate to handle all the subjects, particularly the technical and vocational subjects. Tools and equipment for workshop practice are also not enough for the use of all children in a workshop at a time. Furthermore, facilities are not equitably available countrywide. For example, even though about 70% of the population resides in rural districts, trained teachers are reluctant to accept postings to these areas. Many schools in the rural districts do not have well-built classrooms with adequately secured stores for keeping books, equipment and other valuable property; they also lack workshops of standard design and furniture (Ghana Education Service, 1993, personal communication).

However, siting of Junior Secondary Schools has been planned so that children do not have to travel more than 5 kilometres, on average, to get to one, in order to minimise the fall-out rate from Primary to Junior Secondary School. To ensure quality instruction, inspection and supervision of schools is undertaken at district level under the management of a Director of the Ghana Education Service.

3. SECONDARY EDUCATION

The post-basic educational cycle or secondary education in Ghana follows 2 general directions: Senior Secondary Schooling or Vocational and Technical Education and Training. Only 30% of graduates of Junior Secondary School are admitted, by merit, into Senior Secondary Schools. The remaining candidates have to choose from a number of programmes offered in Vocational and Technical schools.

3.1 Senior Secondary School

Senior secondary education in Ghana seeks to reinforce the skills and knowledge acquired during the years of basic education, to develop in the students a quest for further self-improvement, and also to equip them with qualities of responsible leadership for the promotion and development of all areas of national endeavour (Government of Ghana, 1988b).

The curriculum for Senior Secondary School (SSS) is diversified to cater for varying talents and skills relevant to the country's manpower requirements for socio-economic development. A core curriculum is compulsory for all students, after which choices may be made among 5 specialized programmes. Each school may offer 2 or more of the specialized programmes, each of which is composed of 2 or more options. Every student is required to select one option, and each option consists of a package of 3 subjects.

The core curriculum is made up of the following 7 subjects:

English Language
Ghanaian Language
Science
Mathematics
Agricultural and Environmental Studies
Life Skills
Physical Education

and the 5 specialized programmes are:

Agriculture
Business
Technical
Vocational
General (Arts or Science)

Under the Agriculture Programme the options are:

(1) General Agriculture, made up of Soil Science, Crop Science, Animal Science and

Farm Management
Farm Mechanization
Horticulture

(2) General Agriculture (as above)
Agriculture Economics and Extension
Horticulture

The Business Programme also has 2 options, Accounting and Secretarial:

(1) The Accounting option comprises:
Introduction to Business Management
Accounting
Business Mathematics and Costing
Clerical and Office Duties

(2) The Secretarial option also comprises:
Introduction to Business Management
Typing (40 words per minute)
Clerical and Office Duties

Under the Technical Programme there are 4 options: (1) Building, (2) Metal Work, (3) Auto Mechanics and (4) Applied Electricity. All the first three options offer Technical Drawing and Engineering Science. In addition, Building Option offers Building Construction and Woodwork; Metalwork Option offers Metalwork and Woodwork while Auto Mechanics Option offers Auto Mechanics and Metalwork. For the last option in Applied Electricity, the subjects offered are Physics, Mathematics and Applied Electricity or Electronics.

The Vocational Programme is made up of 3 options in Home Economics and one in Visual Arts. Management-in-Living Studies are offered under all 3 Home Economics options and the student is required to select 2 subjects from (a) Clothing and Textiles, (b) Food and Nutrition and (c) General Art, to complete the option.

Under the Visual Arts Option, General Art (comprising History, Appreciation and General Concepts of Art) is offered together with a selection, depending upon the availability of facilities, from the following subjects: basketry, leatherwork, graphic design, picture making, pottery, sculpture and textiles.

The General Programme in Arts offers 9 options made up of a restricted selection of a set of 3 subject combinations from the following:

English Language
Literature in English
French
Ghanaian Languages
Economics
Geography

History
Government
Christian or Islamic Religions Studies
Music
Mathematics

Finally the General Programme in Science offers 4 options from any set of 3 subject combinations selected from: Biology, Chemistry, Mathematics and Physics.

All subjects are examinable internally and externally except Physical Education which is examined only internally. The Senior Secondary Certificate Examinations provide the principal entry into formal employment and Tertiary Education. Total enrolment in Senior Secondary Schools in 1992 was 225,300, a third of which was female (Ministry of Education 1993). After 3 years of schooling, 55,000 candidates registered for the Senior Secondary Certificate Examinations in 1993. For these graduands, places are available for only 27.3% in post-secondary educational institutions. The universities can take a maximum of 5000 students, and the polytechnics and other specialized colleges a further 10,000. Thus 40,000 or 72.7% of senior secondary school graduates will join the world of work in 1993 and their most probable destination is the informal sector.

In 1990 when the reforms in secondary education started, there were only 264 senior secondary schools. By 1993, 170 more schools had been added, first by absorbing and upgrading 140 existing community schools and then by creating 30 entirely new ones.

The main problems encountered in the administration of basic education in Ghana also persist in secondary education. Nevertheless, efforts have been made, with the assistance of the World Bank and other donors, to supply textbooks, science equipment and agricultural and technical tools to most schools and provide them with laboratories, libraries and workshops. 43 textbook titles were commissioned of which 27 have been successfully printed and delivered. Distance education techniques are also being applied to address the shortage of teachers in particular subjects. For example, series of courses in science and mathematics and English literature aids are screened on national television to supplement classroom work. Finally, to attract and retain teachers especially in rural districts, it is now established policy to provide fitting accommodation for school staff. As a result, since the reforms started, accommodation has been provided for the heads of 150 of the newly established senior secondary schools (Ghana Education Service, 1993, personal communication).

In May 1994, the results of the first batch of Senior Secondary Certificate Examinations (SSCE) were published. Out of the 55,000 registered candidates, only 76.6% of them (42,105) finally took the examinations (Ghana Press Reports 1994).

21% of those who took the examinations had no pass at all while 18.6% of them recorded passes in six or more subjects. 1656 candidates passed in the prescribed nine subjects and out of this number, only 68% (1,130) qualified to participate in University Entrance Examinations (UEE) to fill 5,000 places in the country's universities. Thus only 2.7% of SSCE candidates, or about 2% of SSS graduands could be considered for university education.

By ministerial fiat, the entrance examinations (UEE) were suspended; the number of core subjects to be presented at the SSCE was also reduced from a minimum of six to five, and the study of Ghanaian Languages made optional. A ministerial report to parliament however expected better performance from subsequent batches of students as, according to the Minister of Education, "most of the initial teething problems have been solved". (Compiled from Ghana Press Reports 1994).

3.2 Vocational and Technical Education and Training

Vocational education, in general, prepares skilled persons at lower levels of qualification for particular jobs, trades or occupations. It usually covers general education, practical training and related theory in varying concentrations but, more often, emphasis is placed on practical training.

Technical education, on the other hand, is designed to prepare technicians and middle-level management personnel in secondary educational institutions. However in tertiary institutions, technical education leads to the production of engineers and technologists for higher management positions. Technical education encompasses general education, scientific and technical studies and their related theory, and training in specific skills. The type of personnel being produced and the educational level of training determine the relative amounts of emphasis and areas of concentration.

The objectives of vocational and technical education in Ghana are to produce operatives, artisans, craftsmen, technicians and other middle-level personnel with the skills and knowledge required for the country's agricultural, industrial, commercial and economic development. Of particular importance in vocational and technical education is the emphasis laid on equipping the individual with entrepreneurial skills for self-employment to enable the trainee to adapt easily to changing economic and occupational situations. Vocational and technical education in Ghana provides learning and training opportunities in the informal sector and encourages female participation in apprenticeable jobs and occupations which are traditionally not practised by women. Special programmes are also designed for physically handicapped and disabled persons (Government of Ghana, 1990a).

There are basically 3 different types of training, for which programmes of varying duration and specialization are offered, as follows:

(1) Vocational Training
This programme requires a minimum period of 2 years after which the Trade Testing Certificate Grade 2 is awarded. One further year of training leads to the Trade Testing Certificate Grade 1. The National Craftsman's Certificate is awarded after completing the maximum training period of 4 years.

(2) Technical Training
The duration of this programme is 3 years leading to the award of the Intermediate City and Guilds Certificate of London. The completion of an additional year would earn the trainee the Advanced City and Guilds Certificate.

(3) Integrated Community Centre for Employable Skills
The third type of vocational and technical education is given at an Integrated Community Centre for Employable Skills (ICCES) where trainees are equipped with indigenous skills of more importance to activities in the income generation range. Each trainee is apprenticed to a master craftsman of good standing for 2 years in the trainee's district of residence. The apprenticeship is certificated. A third year of mainly theoretical orientation may be pursued at a Vocational or Technical Institute involved in the first and second type of training, as explained above, to improve upon the trainee's understanding and mastery of the craft or trade.

Trainees from the Vocational and Technical programmes who wish to re-enter Senior Secondary School are admissible after completing prescribed courses. But then completing the Advanced Courses successfully ultimately qualifies the trainee for entry into tertiary education particularly in the Polytechnics and Specialist Teacher Training Colleges (Government of Ghana, 1990a, 1991).

Skills training programmes in Vocational and Technical educational institutions include (NACVET, 1993a):

(1) Business Studies
This programme offers specializations in (a) Secretaryship (b) Computer Applications and (c) Accountancy.

(2) Home Management
The specializations under this programme are in (a) Catering or (b) Cookery.

(3) Automobile Engineering and Mechanical Craft

(4) Welding and Fabrication

(5) Building Trades
This programme offers specializations in (a) Carpentry and Joinery (b) Masonry (c) Plumbing and (d) Painting and Decorating.

(6) Arts and Craft
The specializations under this programme include (a) Sculpture (carving) (b) Ceramics (c) Weaving (Straw, Bamboo, Raffia, Cane, etc) (d) Textiles (e) Leatherwork (f) Painting (Graphics) (g) Interior Decoration.

(7) Electrical and Electronics
The following specializations are offered under this programme: (a) Telecommunications (b) Radio and Television Repairs (c) Electrical Installation (d) Air-Conditioning and Refrigeration.

(8) Agriculture

(9) Agricultural Mechanics
Including Foundrycraft and Blacksmithing.

Officially there are 156 vocational and technical training institutions in Ghana administered by different government agencies and 250 private-sector institutions registered and recognized by government. In addition, about 700 unregistered private-sector vocational and technical training institutions exist and a considerable amount of training is known to be provided through informal apprenticeship schemes (NACVET, 1993b).

In contrast to institutions in the basic educational cycle and senior secondary where 91.7% and over 95% enrolment are in government schools respectively, in vocational and technical education enrolment in informal sector institutions, comprising registered and unregistered private-sector schools, constitutes 59.5% of a total estimated national enrolment of 42,000 in 1992.

Vocational and technical education and training in Ghana is fraught with many difficulties. The government institutions have a fair share of the frustration, but in the informal sector the problems are legion. A critical observation reveals the common use of inappropriate tools, equipment and training materials, poor infrastructure and other physical facilities, poor remuneration for staff and the use of untrained instructors.

Most private training institutions offer their own internal certificates but encourage and prepare their trainees for nationally-recognized certificates offered by the National Vocational Training Institute and the City and Guilds of London. In 1992, only 9.7% of a total national enrolment of 17,800 trainees in government institutions were female.

Recently, a National Coordinating Committee for Technical and Vocational Education and Training (NACVET) was established for the coordination and management of vocational and technical training in the country. NACVET operates through two agencies, namely the National Institute of Technical and Vocational Education and Training (NITVET) and the National Technical and Vocational Examinations Board (NATVEB).

4. EDUCATION AND TRAINING FOR INCOME GENERATION AND SURVIVAL

Basic education eludes 37% of children in Ghana of school-going age. From a 1992 population projection of 1,533,300 children aged from 6 to 15 years of age the number of out of school children is above 567,300. In Primary School, female enrolment was 45.7% in 1992, while in Junior Secondary School it fell to 41.2%. The total number of females as a percentage of total number of children outside the educational system increased from 54.3% at age 12 to 58.8% at 15 years of age.

At graduation, only 30% of Junior Secondary School leavers have access to Senior Secondary education. On average, there were about 201,400 students in each year of Junior Secondary School but only 165,000 graduated from the third year in 1992. In Senior Secondary School, average enrolment per year was less than 75,400 and only 33% of them were female. Of the total number of students who did not enter Senior Secondary School in 1992, 42.5% were admitted into Vocational and Technical schools. However, only 9.7% of the total enrolment of trainees in government Vocational and Technical schools were female. In Ghana therefore, a large majority of children and youth who missed or dropped out of basic and secondary education are female; they are the principal constituents of the informal sector. Many income generating programmes therefore focus attention on women's activities.

The Institute of Adult Education of the University of Ghana has a network of 13 stations serving all the regions where basic literacy programmes and other courses are run all over the country. The Non-Formal Education Division (NFED) of the Ministry of Education is also executing many projects in basic literacy and income generating activities all over the country. Many government departments have similar programmes in their areas of ministerial responsibility. The Ministry of Agriculture, for example, trains illiterate farmers and fishermen through an intricate extension network and the Ministry of Health also trains Traditional Birth Attendants who are largely illiterate.

However, for the more marginal levels of the informal sector, the Department of Social Welfare of the Ministry of Employment and Social Welfare organizes programmes and oversees projects involving vocational training and skills development for the rehabilitation of disadvantaged women, youth and people with physical disabilities (Ministry of Employment and Social Welfare, 1993, personal communication).

Vocational Institutes for women, under the Department of Social Welfare alone, number 50 countrywide and enrol about 2000 trainees. There are also 9 Remand and Probation Homes for boys, located one per region, which are also Vocational Institutes. In addition, there are 3 other Vocational Institutes for both boys and girls where the female enrolment is about a third of the total intake of about 300.

Rehabilitation Centres which provide skills training for persons with physical disabilities number nine countrywide. These vocational institutes are currently operating at less than 50% capacity because of inadequate financial support. The number of trainees in the Rehabilitation Centres was 246 in 1992, 25% of them illiterate. However, the type of trainees admitted ranges from those who did not attend even a year of Primary School to Junior Secondary School graduates. Training is given in trades including the following:

> Shoemaking, Basketry and Ropework, Tailoring, Dressmaking, Hairdressing, Cookery and Catering, Carpentry, Leather Bag Making, Agriculture, Tie-Dye Batik, Home Management.

Proficiency certificates are awarded by the Department of Social Welfare. Opportunities exist for pursuing further training at more advanced levels leading to the award of certificates by the National Vocational Training Institute.

The Department of Social Welfare is also the implementing agency for many special projects sponsored by donors such as UNDP, ILO and many international NGOs. One such income generating project for rural women in all 10 regions of Ghana emphasized technology transfer, capitalization and training for groups of 30-50 members in activities such as gari (cassava) processing, vegetable oil extraction, cotton spinning, bead-making, indigenous soap production. Young women dependents of adult participants in the project were also assisted to undergo skills training at selected focal centres such as the Mancell Vocational School in Kumasi. In the 1991/92 school year alone, 120 young women selected from groups from all over the country benefited from this project (Ministry of Employment and Social Welfare, 1993, personal communication).

Finally, because income generating activities usually involve women, most agencies operating in this area collaborate with the National Council on Women and Development (NCWD) in the implementation of projects.

Let us throw some more light on the IAE and NFED programmes (information provided by the Ministry of Education, Accra).

Institute of Adult Education (IAE)

The Institute of Adult Education (IAE) was founded in 1948 and has been active in providing both formal and non-formal educational programmes. It is famous for its annual New Year and Easter Schools which address topical civic and political issues.

Through a chain of Workers' Colleges nationwide, the formal educational programmes assist out-of-school youths and adults to prepare mainly for the General Certificate of Education (GCE) at ordinary and advanced levels on a part-time basis. There are also programmes for secretarial and accounting studies. In the 1992/1993 school year 6151 participants were registered for the various courses and 128 of them were being prepared for admission to the University of Ghana. The total number of IAE graduates already engaged in University programmes during the year was 27. More than 50% of the participants in the formal educational programmes were registered in Accra, the capital city.

The non-formal educational programmes cover courses in health, family life, population, environmental and community-related subjects. The programmes have been concerned with: integrated rural development; organizing and strengthening women's groups; transfer of improved technologies; leadership training and fostering community action. Specific projects have involved the establishment of experimental farms, community newspapers and income generating activities in: beekeeping, piggery, seed-yam production, snail rearing, cassava processing, farm cropping, vegetable production and marketing, sheanut processing, bakery, calabash work, poultry, tree planting, adult literacy campaigns, community libraries and the setting up of centres for trade skills and newsletters. The non-formal educational programmes are very diversified and range from ONE-DAY Schools to courses of a few weeks' duration. Over 5800 persons participated in these activities which were organized in regional centres and rural districts.

The Institute of Adult Education has received support from the Canadian Organization for Development through Education (CODE), German Adult Education Association (DVV), United Nations Population Fund (UNFPA) and Danish International Development Agency (DANIDA).
The Institute collaborates with, and gives institutional support to, a number of organizations including the:

- People's Educational Association (PEA)
- Non-Formal Education Division of the Ministry of Education (NFED)
- Department of Community Development and Department of Social Welfare of the Ministry of Employment and Social Welfare (IAE, 1993, personal communication).

Non-Formal Education Division (NFED)

The main aim of non-formal education programmes in Ghana is to reduce adult illiteracy rates. The programmes therefore provide a substitute for regular full-time schooling and a second chance for all those who missed out initially. They provide popular education which focuses on the poor. Training is here adapted to the needs of the user.

Other programmes prepare trainees for wage employment or self-employment while others specialize in upgrading the knowledge and skills of those already employed.

A division was created in the Ministry of Education to coordinate the activities of all agencies involved in non-formal education programmes in the country with a view to revitalizing the infrastructure and providing materials, teaching aids, training of facilitators, distance learning and self-employment opportunities countrywide. The Non-Formal Education Division (NFED) of the ministry oversees Integrated Community Centres for Employable Skills (ICCES) where urban and rural community cottage-based industries are made available for training. These centres, in the long run, are expected to become community-based small-scale commercial ventures which generate economic activity around the most marketable local trade skills. Planning and development of training programmes are expected to involve, at all stages, the clients and users of the skills namely, women, villagers, farmers, cooperatives, etc. Other subjects which are taught at the centres include: Family Life Education, Maternal and Child Care, Drug Abuse, and the Rights and Responsibilities of the youth to their communities.

A reorganisation of NFED is underway to transfer some of these activities to the Ministry of Employment and Social Welfare.

The National Youth Organizing Commission (NYOC) of the Ministry of Youth and Sports, and the Opportunities Industrialisation Centre (OIC), an international, private, not-for-profit organisation, are also institutions which run training programmes similar to the vocational programmes of NFED.

5. POST-SECONDARY EDUCATION, MICRO-ENTERPRISE DEVELOPMENT AND THE INFORMAL SECTOR

Post-secondary education in Ghana is almost entirely dependent on Government. In fact, some reviews on tertiary education, particularly its impact on Ghanaian society and national development, have openly criticized the orientation of training, course content and even the basic institutional framework of the organizations concerned (Government of Ghana, 1990b, Boeh-Ocansey, 1989).

Access to university education is acutely restricted and skewed against science and technology related disciplines. For a population of about 15 million, total enrolment in all Ghanaian universities was less than 10,000 in 1991/92 and only 19% of the students were female. The total student population of all other post-secondary educational institutions, including specialized colleges and polytechnics, was less than 26,100 for the same period (Table 1) (Ministry of Education, 1993). Yet, there is evidence of stagnation and low morale among staff, lack of equipment and essential teaching materials, and under-utilization of available resources and facilities. In addition, graduate unemployment is increasing.

Government proposals for the restructuring and reorganization of post-secondary education seek to provide greater access to all students, and in particular increase the proportion of female students while achieving a better balance in enrolments between science, technology, social sciences, humanities and the arts in relation to national needs. The proposals further seek to increase funding for post-secondary education by augmenting the capacity of the institutions themselves towards generating income and encouraging greater financial support from the private sector. Programmes and courses in post-secondary educational institutions are also to be redirected towards the essential training needs of working people.

Post-secondary education in Ghana, to conclude, has, in general terms, very weak linkages with microenterprise development, self-employment schemes and the informal sector. However, many beneficiaries of post-secondary education, particularly those with family histories in particular trades, engage in informal sector activities, albeit in the more viable ventures, as a means to supplement income from formal employment.

The reason for these weak linkages is obvious. Post-secondary education in the emerging nation-state of Ghana was not originally designed to fulfill self-employment objectives, but rather to supply a certain calibre of manpower to fill prescribed positions in the public service. Later, a few private companies in the country, mostly subsidiaries of foreign firms or local branches of multinational corporations, converted some of the products of this educational system to their use through in-service training.

Therefore, until a few decades ago, post-secondary education in Ghana doubtlessly availed its beneficiaries with opportunities of employment in the formal economy with prospects of demonstrated satisfactory standards of living, job security, pension and a good social standing. In effect, post-secondary education had become a reliable vehicle of escape from the trap of rural life for many, and an emancipation from endemic communal poverty.

Formal education progressively refined the social behaviour of its beneficiaries and converted them, more or less, into rule-conscious individuals. In addition, the specialization associated with higher education further narrowed the apparent effectiveness of the individual's contribution in the larger traditional community.

The informal sector is a relatively unstructured system where success is highly selective and may be due more to the nature and conduct of business than to predictable or verifiable factors. The challenge of survival, in itself, does not encourage operators in the system to respect and apply rules and regulations consistently.

Products of post-secondary education are therefore ill-equipped to operate in such a system. The transformation they have undergone inevitably reduces their capability to take risks in the contemporary chaotic environment. A few cases of microenterprise development and self-employment have however been recorded among members of this group but these have been limited more or less to the professions where the element of risk has been considerably reduced and the subject of survival is hardly considered a threat.

6. TRAINING FOR INFORMAL SECTOR PRACTITIONERS ENGAGED IN VIABLE ACTIVITIES

A number of institutions located outside the formal educational system provide training programmes from which informal sector practitioners benefit. These services are provided selectively depending on areas of specialization and client needs by several governmental and non-governmental organizations. Five different examples are cited to cover the types of institutions involved and the range of services provided.

6.1 Management Development and Productivity Institute

This institute, MDPI for short, was established by the government of Ghana to fulfil the following objectives:

(a) to improve and develop the standard of management in all aspects and at all levels of national life,
(b) to introduce suitable management practices and techniques and
(c) to promote increased efficiency and productivity in industry, commerce and other sectors of the economy.

MDPI organizes regular and in-plant courses for personnel from both public and private sector organizations. In addition, a number of project-related management training programmes are offered, for example for the World Bank/Ghana Government Transport Rehabilitation Project, the ILO/Dutch/Ghana Government project on improving the construction business and the UNDP/ITC/Swiss/Ghana Government project on the management of import trade.

Established in 1967, MDPI is the oldest and the best known training institution for small business management and entrepreneurship promotion. Its Private Sector Development programmes are targeted at school graduates, redeployed and retired personnel from formal employment desirous of establishing their own businesses, and practising owner-managers of small enterprises. In-plant training programmes are also mounted on special request to satisfy peculiar client needs.

Every year about 2000 persons are trained at the MDPI and 30% of these come from the informal sector. In 1992, about 62% of trainees participated in project-related programmes, 25% attended regular courses and 13% were involved in in-plant training workshops (MDPI, 1993, personal communication).

6.2 National Board for Small Scale Industries

This organization, NBSSI for short, was established by the Government of Ghana with World Bank assistance. Its task was to promote industrialization in the country through small scale operations initiated and implemented via Entrepreneurship Development Programmes. The programmes are executed by Business Advisory Centres located in regional capitals throughout the country whose main activities include training, counselling and the provision of support services for small enterprises.

The specific objectives of establishing NBSSI are to (a) increase the supply of entrepreneurs especially in economic areas and geographical regions where industrial activity is sluggish, (b) diversify sources of entrepreneurship in order to generate a wider base of ownership for small businesses and industries, (c) provide productive self-employment opportunities to a wider variety of educated and uneducated rural and urban youth, technical and non-technical personnel, artisans, craftsmen, redeployed or retired persons from formal employment and the general public, and (d) improve the human resource quality of entrepreneurship in general in order to achieve continually increasing levels of performance in the operations of enterprises (ED11, 1987).

Five training sessions were held in 1990. For the southern zone 3 sessions were held in Accra, and for the northern zone 2 training sessions were held in Kumasi. After extensive advertising on national networks of radio, television and the print media (newspapers), 1282 individuals expressed interest in participating in the entrepreneurship training programmes by requesting application forms. 955 formal applications were received representing 75% of the number of application forms requested.

In all, 144 candidates were admitted for a short, intensive and comprehensive training programme in general management skills of 4 to 8 weeks' duration. 140 trainees completed the course successfully.

In a post-training evaluation, 82% of a selected sample of participants expressed satisfaction with the training programme and rated it highly, while 14% reported that it had had only a marginal impact on the attainment of their goals six months after the course had been completed. 104 trainees had gone through the formalities leading to the registration of their own firms, of whom 94 had gone as far as to prepare business plans. These represented, respectively, 75% and 68% of the total number of graduates. Especially remarkable was the observation that 53 ex-trainees, or 38% of the group, had submitted applications to financial institutions for loans within the same period.

Finally, apart from 12 trainees who were already engaged in running their own businesses at the time of training, 17 other participants had managed to commence commercial operations in their new businesses.

The ex-trainees reported that the most useful aspects of the training programme were the courses in achievement motivation, self-confidence generation and planning (Dave 1990).

6.3 Ghana Regional Appropriate Technology Industrial Service

This service, referred to commonly as the GRATIS Project, was instituted by the Government of Ghana with donor assistance [1] to promote indigenous industrialization throughout the country. It operates through a network of regional Intermediate Technology Transfer Units (ITTU). By the end of the year 1992, six regional centres had fully operational ITTUs while work was going on towards their establishment in the remaining four regions. An ITTU constitutes a group of production workshops where novel products and processes of industrial relevance to the catchment area are demonstrated. Local craftsmen and entrepreneurs are then encouraged and assisted to take up the manufacture of such products. A local interest group is formed and nurtured to grow, in the long term, into a viable trade association which could elect from its membership a Management Board to be responsible for the ITTU, which by this time is expected to be a regionally autonomous and self-financing institution.

An ITTU provides information and advice on technical, commercial and economic matters as well as on-the-job training in both technical and administrative skills to artisans and small scale industrialists in activities pertaining to metal machining, plant construction, ferrous and non-ferrous casting, auto-engineering, woodworking and pattern making. It also liaises with local educational and research institutions and offers extension services to rural and women's industries active in non-engineering income generating activities such as food processing and preservation, beekeeping, textiles and pottery.

Selected master craftsmen or apprentices may spend a period of practical on-the-job training at an ITTU. Master craftsmen are offered short-term stays as visiting apprentices for periods ranging from a few weeks to a few months to learn new skills. Students from Universities, Polytechnics, Vocational and Technical Institutes are also admitted as visiting apprentices during vacation.

The ITTU organizes another apprenticeship scheme of longer duration for trainees who might have served periods of apprenticeship in an informal sector workshop, to acquire particular skills which they missed either because the master himself lacked them or because the necessary equipment was not available. These apprentices are engaged on one-year renewable contracts.

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[1] The GRATIS Project has benefited variously from the support of bilateral, multilateral and foreign non-governmental organizations including CIDA, EDF, GATE/GTZ, ITDG, VSO, SNV; the local benefactors include NSS and TCC.

On average, 5 master craftsmen and 25 apprentices are trained at each ITTU in one year thereby generating at least 30 potential employment or self-employment opportunities in the informal sector every year per ITTU (Powell, 1986).

In 1991, the earned income from the operations of 5 ITTUs varied from 38.7% to 73.7% of the total funding received by each. Most of the income was derived from machine shop operations and plant construction. At the lower end of the income range were two ITTUs which had had less than two years' existence. Having been established only in August and December 1990, their earned incomes were respectively 38.7% (Ho, Volta Region) and 43.8% (Sunyani, Brong Ahafo Region) of total investment. The others, established earlier in 1988, performed better, each yielding 58.8% (Tamale, Northern Region), 59.1% (Cape Coast, Central Region) and 73.7% (Tema, Greater Accra Region) (GRATIS, 1991).

To investigate the impact of ITTU training on the lives of beneficiaries, a survey was conducted on ex-trainees of the Textile Dyeing Section of Tema ITTU (Moses, 1992).

The six-month training programme introduced participants to small scale textile dyeing using batik printing and tie-dye techniques. It was directed at young women desirous of operating their own workshops to help them improve upon their standards of living and that of their (future) employees.

In all 40 people have been trained since the establishment of the programme in 1988, and only 6 of them (15%) have been male. All the trainees had had formal education: 33.3% of them had benefitted from post-secondary education, 40% had graduated from vocational and other secondary educational institutions and 26.7% had had basic education.

An analysis of the age distribution of participants showed that 60% were young people aged between 15 and 29 years, 26% were aged 30-44 years and the remaining 14% were aged 45-60 years.

Young people who had only recently graduated from school and were unemployed constituted 33.3% of the total intake. Next were dressmakers, hairdressers, petty traders, subsistence farmers and fisherfolk who desired additional skills to enable them to supplement income emanating from their primary occupational activities. These occupational groupings represented respectively 13.3%, 6.7%, 6.7%, 6.7%, and 3.3% of participants. Collectively, the factor of income supplementation becomes an important consideration as 36.7% of participants were motivated by it.

Combining the above socio-economic groups reveals that 70% of the trainees in work came from the informal sector. The remaining 30% were employed in the formal sector as teachers (20%), prisons officers (6.7%) and cashiers (3.3%).

Very valuable insights may be obtained from the following statistics which were obtained in 1992 from 30 ex-trainee respondents representing 75% of the population of participants in the above ITTU training programme (Moses, 1992): only 6.7% of ex-trainees were productively engaged in business after their training; 33.3% of them had not been involved in any productive self-employment nor found employment; 50% of ex-trainees had managed to purchase capital equipment but lacked working capital to commence commercial operations; 26.7% of members of this group who obtained loans from friends and relations to start production eventually had to abandon operations because they encountered immense problems in marketing their products.

Conclusively, the survey demonstrated that the desired impact of training on the lives of participants had not been attained. The appearance of new constraints relating to the availability of investment capital and product marketing challenges frustrated the achievement of the project objectives. Post-training support to practising and potential entrepreneurs is important if the objectives of training programmes are to be realized.

6.4 GEPC Export Training School

One of the principal objectives of Ghana's Structural Adjustment Programme is to promote substantial growth in the export sector and enhance earnings through the development, diversification and promotion of non-traditional export products (traditional exports being, for example, cocoa, gold, diamonds and timber). The Government of Ghana, assisted by the UNDP through its executing agency ITC/UNCTAD/GATT, initiated an Export Trade Planning and Promotion Project to enhance the national institutional capacity and improve the country's capability to support the development and diversification of export products including the establishment of pioneering projects and rural-based export production villages. By implication, the project involved working on many undeveloped components of the informal sector. The Ghana Export Promotion Council (GEPC) was charged with the responsibility of implementing the project.

The project had envisaged the establishment of a self-sustaining training facility for export-orientated trading enterprises and government agencies. Thus in 1989 an Export Training School was established to coordinate the relevant training policies and activities and also serve as a focal point for the collation and exchange of information (Cellich and Alwoi, 1992).

In 1991, 2822 exporters in Ghana traded in 155 products valued at US$62.551 million. The agricultural sub-sector contributed 54.24% of total exports through 55 products handled by 1217 exporting firms. The products included fish and seafood, and horticultural products such as pineapples, bananas, plantains, fresh vegetables, cocoa waste, kolanuts, cottonseed and maize (corn).

The group of processed and semi-processed products contributed 44.35% of total earnings through 86 products by 1412 exporters. The main items included wood and aluminium products, processed natural rubber, common salt, non-ferrous metal scrap, tobacco, toilet soap, matches and gari.

Handicrafts contributed the difference of 1.41% through the export of 10 products by 193 agents. The items included kente and straw products, imitation jewellery, earthenware bowls, batik and tie-dye dresses and assorted items.

In 1990, the number of firms recorded for participating in non-traditional export trade was 1357. However, only 21.51% of them exported annual shipments of a value exceeding US$5,000. In fact, 47.75% of exporting firms actually traded in goods worth US$1000 or less for the whole year, thus providing overwhelming evidence that the informal sector dominates non-traditional export trade. By April 1992, the Export Training School had trained over 1000 persons, 20% of whom were female.

The intervention of the Training School in export trade activities increased the number of exporting firms in Ghana by 108% over 1990 figures at the end of 1991 but the increase in the corresponding value of shipments was only US$209,000. Personnel in Export Support Service Organizations blamed the level of illiteracy among Ghanaian exporters as a major obstacle to growth in the sector (GEPC, 1992a, 1992b; 1993 personal communication).

6.5 Non-Governmental Organizations

Ghana has a large NGO community, active in all sectors and at all levels of the country's socio-economic development. The activities of individual local, national and international NGOs in the country are coordinated at the national level by the Ghana Association of Private Voluntary Organizations in Development (GAPVOD). Training is a major activity of many NGOs. They are involved in non-formal educational and literacy programmes in local communities, vocational and technical training, technology transfer, small enterprise development schemes, management training and counselling, funding and technical assistance for specific projects, etc. They usually collaborate with other agencies in executing projects. They maintain an unrivalled presence in the informal sector.

Ninety-three NGOs are currently listed on the GAPVOD register. Let us review the programmes of only two of them.

People's Educational Association

The association, PEA for short, is a voluntary, democratic, non-sectarian, non-partisan, national organisation for the promotion of adult and non-formal education. Founded in 1949, it has over the years been an important partner of the Institute of Adult Education of the University of Ghana.

The central policy making bodies of the association are the National Executive Committee which is elected every two years and the Annual Conference at which delegates from local and regional branches as well as affiliated organisations represent the entire membership of the association. These two organs direct and coordinate the activities of the association throughout the country. Unit branches are established in towns, suburbs, villages, workplaces or in Workers' Colleges by persons interested in working for the association's ideals, upon payment of annual membership fees. The major responsibility of each Branch Committee, elected annually by branch members of good standing, is to stimulate and organise the educational and training needs of adults in the local community, as well as motivate community actions. The association seeks to provide opportunities for life-long education and training for its members who have had formal education and to organize programmes for the rest to acquire literacy and manual skills. To develop informed and active citizens who will participate fully in the process of national development, the PEA encourages its members to undertake social and community action programmes.

The following are examples of activities undertaken by PEA branches with the assistance of personnel from the Institute of Adult Education in the regions:

- Extramural courses in Liberal Studies to gain a good understanding of the complexities of a particular subject, topic or problem without any examination.
- Examination courses in general education (ordinary and advanced certificates), and professional qualification courses in Secretarial and Accountancy Studies.
- Survey projects on local problems such as unemployment among school leavers, the plight of illiterate adults, problems of malnutrition, the incidence and control of AIDS, etc.
- Research projects into local history, cultural practices or institutions of interest, etc.
- Literacy programmes, community leadership training and activities for special groups such as women, young school leavers, etc.
- Training for special groups for the acquisition of specific skills; technology transfer.
- Visits to places of interest and educational tours, recreational activities including sports, games, musical concerts and theatre, etc.
- Organisation of public lectures, symposia, debates, conferences on topical issues, etc. (PEA National Secretariat, 1993, personal communication).

Many members from PEA branches all over the country have risen, as a result of these activities, to national pre-eminence in government, politics, judicial and public service.

TechnoServe-Ghana

TechnoServe is a private, non-profit, nonsectarian international agency which started operations in Ghana in 1971. Its mission is to improve the economic and social well-being of low-income, rural families through training and transfer of practical skills to enable such people to work profitably and build organizations so as to earn more income for themselves. TechnoServe achieves these objectives by fostering the establishment and growth of small and medium-scale community-based agricultural enterprises.

The focus of this agency's activities in Ghana is on edible oils and cereals. TechnoServe is collaborating, in the edible oils sector, with the Crop Services and Extension Services Departments of the Ministry of Food and Agriculture, the Department of Cooperatives, the Agricultural Development Bank and the Export Promotion Council to implement a World Bank-financed Intermediate Technology Small-Scale Palm Oil Mills Programme which is expected to establish 60 community-owned and operated palm oil processing centres. This programme is based on a model developed and successfully launched by TechnoServe in 1987 in a rural community in Ghana.

In the cereals sector TechnoServe is assisting in the formation of market-driven farmers' service cooperatives. For example in the Upper West Region, TechnoServe is engaged in the privatization of three Farmers Service Centres. Recently, the Government of Ghana requested TechnoServe to design a programme for rural fishing communities also.

The TechnoServe strategy involves an integrated and comprehensive approach: firstly by assisting rural communities directly through managerial and technical support and training; and secondly, indirectly through linking the beneficiary community with local development institutions such as government ministries, banks, technology centres, etc.

The TechnoServe approach places a high premium on community commitment as an indicator of the sustainability of development activities in rural areas. Community members are encouraged to participate in the project design to ensure that it is relevant to local conditions. They are made to fully understand both the benefits and responsibilities (or risks) of participating in the project. Community members are encouraged to organise themselves, form management committees, hold regular planning meetings, keep records of these meetings and officially register their group as a cooperative society. As a final gauge of community commitment, a 25% equity contribution both in cash and in kind (labour, materials) is demanded and the money is required to be deposited in a bank account especially opened for the group's transactions. Members are then trained to install and use simple accounting tools and control measures for monitoring cash flow and materials inventory in their business activities.

TechnoServe's involvement in community enterprise development is regulated by a signed contract detailing the roles and responsibilities of both parties, which is executed scrupulously. After take-off, the operations of the enterprise are monitored by tracking key indicators such as growth in membership, growth in equity contributions, community patronage, increases in productivity, regularity of management meetings. With time, TechnoServe withdraws from direct involvement in the operations of the community enterprise but continues in an advisory capacity through monthly monitoring visits.

TechnoServe's approach to training and development in the informal sector was arrived at through field experience with 35 oil palm growers and processors in the community of NTINANKO, situated about 100 km southwest of Kumasi.

In 1986 when the project started, the village had only 8 women involved in processing palm fruits at the rate of one tonne of fresh fruit bunches (FFB) per month. The intervention by TechnoServe and the installation of a mill resulted in increases in palm fruits processing by 45 women at a rate of 135 tonnes FFB per month. At the rate of utilization of the mill, the investment loan provided by TechnoServe was paid back within 25 months at prevailing commercial rates of interest. In 1991 alone, the mill owners shared a net profit worth over 94% of the invested capital. Many quantifiable social and economic benefits have accrued to the community in general. The nutrition, health and education of children improved along with the general rise in family incomes. Interesting also is the observation that at the start of the project, there were no seamstresses or hairdressers in the village, but 4 years later, 4 seamstresses and 2 hairdressers had set up shops; more money was being spent on personal care and hygiene which had a stimulating effect on retail trade and the growth of service industries.

In 1988, a new project was started with a cooperative of 85 members at Prestea/Begoso to replicate the success story of Ntinanko. The financial and social indicators of this project confirm that all is well. Since 1992, TechnoServe has been contracted by the European Community (EC) and UNIDO/ILO to assist 3 other communities in the oil palm belt.

The World Bank-financed project to establish 60 community-owned and operated palm oil mills throughout the oil palm producing regions of Ghana started in August 1991. Based on the adequacy of raw material supplies, 50 communities have received approvals for the establishment of processing mills. However, only 13 groups have so far met the requirements of legal registration as a cooperative society and equity contributions. These community enterprises are planned to start operations by October 1993 (BOAFO, 1992, 1993, and personal communication). If this happens, 841 persons will have been added to the number of direct beneficiaries of the TechnoServe integrated approach to training and community enterprise development. By the end of the 5 year life-span of the project, it will have assisted a further 1294 members from the remaining 37 potential community enterprises.

6.6 Trade Associations

In the wake of the political experiments that swept through Ghana in the early 1980s, the government encouraged the formation of trade associations under the then Ministry of Mobilization and Social Welfare. The Ghana Private Road Transport Union (GPRTU), comprising owners and providers of private transport for public use including vehicle owners, drivers and associated workers at the numerous taxi, bus and lorry parks scattered all over the country, is probably one of the best known for various reasons. The Ghana National Association of Garages (GNAG) has also attracted a lot of attention lately, and together with nine other trade associations in the informal sector, it has established an umbrella organization known as the Council of Indigenous Business Associations (CIBA) (CIBA Law, 1993). The other members of CIBA are:

- National Drinking Bar Operators Association
- Ghana Hairdressers and Beauticians Association
- Ghana National Tailors and Dressmakers Association
- Ghana Cooperative Bakers Association
- Federation of Ghanaian Jewellers
- National Association of Refrigeration Mechanics
- National Association of Traditional Healers
- Federation of Market Women
- Ghana National Traditional Caterers Association.

The Ghana National Association of Garages (GNAG) is a voluntary organization for practitioners of trades in the automobile industry. Membership includes welders, mechanics, electricians, blacksmiths, upholsterers, auto-paint technicians, etc. The Association was formed in 1982 when, as a result of directives emanating from the Accra Metropolitan Authority, temporary structures which housed these tradesmen were all demolished. The Association was formed in order to elect representatives to present proposals to and negotiate with government over the provision of more permanent work stations. This initiative has culminated in a national industrial estates project through which plots of land are being made available in all district and regional capitals to accommodate tradesmen of the automobile industry at a common site. Eight such parks have been planned for the Accra-Tema Metropolis, about half of which are already operational. A world-famous industrial estate exists at Suame, Kumasi where the first Intermediate Technology Transfer Unit (ITTU) of the Technology Transfer Centre of the University of Science and Technology, Kumasi and the GRATIS Project was located; a second industrial park has also been planned for Kumasi. At the gold-mining town of Obuasi is located yet another functional industrial estate.

The industrial estates envisaged by GNAG have an elaborate plan for the provision of roads, public utilities (water, electricity, telephone, toilets, etc.), shops for caterers and spare parts dealers, a health centre, a training school for artisans, etc.

GNAG recently contracted a loan from the National Board for Small Scale Industries (NBSSI) for the purchase of 2 transformers for 2 of the parks in Accra. The association has also benefitted from a World Bank loan to the tune of US$630,000 since 1989. The World Bank facility is assisting the organization in the training of its members at formal institutions in the country for short durations of time. This project makes use of facilities at the Management Development and Productivity Institute (MDPI) and the Accra Technical Training Centre (ATTC) both in the Greater Accra Region. In the Volta, Northern and Western Regions, the facilities of Ho, Tamale and Takoradi Polytechnics are utilized respectively, while in Ashanti Region the project is executed through the Kumasi Technical Institute, Kumasi. The World Bank facility also provides for the supply of tools to members of GNAG.

However, in all these transactions the Association has found it extremely difficult to meet repayment and other contractual obligations. Consequently the GNAG is heavily indebted to its creditors and benefactors. The tools imported with World Bank assistance are still locked up in bonded warehouses as the beneficiaries have been unable to raise the required finances for their clearance. GNAG finds the concessionary interest rates of 20% for NBSSI and 22% for the World Bank loans unbearable even when current commercial interest rates (1993) are 36%.

GNAG is represented on the governing board of the GRATIS Project and its members benefit from training programmes organized by the latter. However, members of GNAG have little appreciation of the mode of operation of the GRATIS Project and its ITTUs because, in their opinion, it is working against their collective interest by providing competitive services which they complain were not part of the original mandate of GRATIS.

The majority of GNAG members are illiterates, particularly those who acquired their skills through the apprenticeship system. The members of the Association readily admit that the majority of youths ordinarily requesting admission as apprentices are undisciplined and difficult-to-mould candidates who are often school drop-outs. However, the Association of late has been experiencing improvements in the potential quality of apprentices as educated children and wards of members of the Association are taking more and more interest in the operations of their guardians/parents' workshops, as finding jobs elsewhere has become extremely difficult. GNAG members expressed concern about the future of such positive developments in the wake of effects of trade liberalization on the operation of repair workshops in the automobile industry. The availability of second-hand spare parts in large quantities in the country has affected the work of mechanics in general, rendering their operations less challenging particularly to the more endowed apprentices. Currently, garages have very few opportunities indeed for overhauling a defective engine. The cheaper practice has been to replace the defective engine with a used one imported from Europe.

The activities of the Ghana National Association of Garages are directed and coordinated by a National Executive Committee which is elected every two years at the Annual General Meeting at which delegates from district and regional branches represent the entire membership. Currently the office of National Chairman rotates between the Ashanti and Greater Accra regional branches since the other regional associations find it difficult to meet their obligations to the national secretariat. Nevertheless, all regional chairmen are members of the National Executive Committee.

The day-to-day operations of the association are assured by an Executive Secretary who is an employee paid by the association. He is ably assisted by 3 other workers at the GNAG secretariat. Interestingly, the incumbent National Chairman of GNAG is currently a Deputy Minister in the Ministry of Employment and Social Welfare (GNAG, personal communication 1993).

7. INDUCTION PROGRAMMES FOR FORMAL SECTOR EMPLOYEES TOWARDS INFORMAL AND SME SECTOR: THE EMPRETEC APPROACH

There are no special institutional arrangements for people in formal sector employment with interests in Small and Microenterprise (SME) or informal sector self-employment to be identified and encouraged. The initiatives are completely left to the individual to take advantage of the programmes available to suit his/her ambitions. However, occasional lectures and seminars to particular groups on the subject have always received wide publicity in the national media. University students have been addressed by representatives of NBSSI and the Association of Ghana Industries (AGI), and public sector employees targetted for redeployment have also received orientation courses and training in entrepreneurship. But, by and large, committed interest in informal sector operations for people already employed in the formal sector comes principally through family connections and other close relational ties. The records reveal that workers identified for redeployment from the public sector are usually less motivated entrepreneurial trainees than other selected candidates (Dave, 1990).

However, one intervention that is proving particularly attractive is the EMPRETEC approach. EMPRETEC-Ghana is a technical cooperation programme designed and executed by the Transnational Corporations and Management Division of the United Nations (UNTCMD). The programme is locally sponsored by Barclays Bank of Ghana and the NBSSI and supported by funds from UNDP. EMPRETEC is an international network which promotes business transactions between enterprises in participating countries and transnational corporations through joint ventures, sub-contracting etc, thereby assisting local businesses to expand their activities across borders. Participating countries include Argentina, Brazil, Chile, Nigeria, Uruguay and Zimbabwe.

Trainees are selected through the completion of a detailed application form followed by a comprehensive interview during which the personal entrepreneurial competences of candidates are assessed. The selection follows nationwide advertisements for the training programmes.

An intensive training in entrepreneurial skills is given in 10 days emphasising power relations, planning and achievement focus. Specific topics discussed include:

Self-confidence and Independence;
Persuasion and Networking;
Financial Planning and Management;
Systematic Planning and Monitoring;
Risk Assessment and Time Management;
Opportunity Search and Creativity;
Persistence;
Commitment to Work Contract;
Competitiveness of World Economy and Demands for Efficiency and Quality

Officials of local financial institutions are invited to interact with trainees and assist with the evaluation of business plans. Other invited guests to the training programmes have included Inspectors of Taxes and successful entrepreneurs.

After training, the EMPRETEC programme provides management support and advisory services to strengthen the capacity of the fledgling businesses. Consultants visit ex-trainees regularly to advice on marketing, financial, production, personnel and other management functions. There are also follow-up seminars of shorter duration on management skills.

EMPRETEC-Ghana organises venture forums to put entrepreneurs in touch with investors or potential investors and assists the former in raising finances from traditional sources. On a few occasions EMPRETEC-Ghana was able to convince banks to relax stringent demands on loan applications in favour of clients.

Nine workshops have been held in all and 265 people have been trained. Alumni of the EMPRETEC training programmes have formed an association called the EMPRETEC Business Forum which meets once a month in Accra and Kumasi. Membership of the association is highly coveted. Empretecos (alumni) are members of an active international association which sponsors the circulation of a directory of members and their products. This year, a global EMPRETEC Fair and the Fifth Latin American EMPRETEC Meeting is being held in Rio Grande do Sul, Brazil in September. Empretecos from Ghana have been invited. The registration fee is only US$50.

The EMPRETEC approach holds so much promise that EMPRETEC-Ghana is being invited to expand its activities. The British ODA is strengthening the programme by providing technical support, sub-contracting facilities and linkages with British institutions and firms. For example, it is envisaged to use the services of the Crown Agents (to help reduce the risks) for supplies of essential equipment and machinery and the British Executive Service Organisation for the supply of technical experts (EMPRETEC, 1993, personal communication).

The Association of Ghana Industries has contracted EMPRETEC-Ghana, under the sponsorship of USAID and the Friedrich Naumann Foundation of Germany, to train its members all over the country (Richardson, 1993).

EMPRETEC-Ghana has also been requested by the government to collaborate with selected Universities in the country to introduce entrepreneurship development courses into their curricula. Entrepreneurship awareness seminars for public servants, bankers and the general public are also to be organized on a regular basis.

Finally, EMPRETEC plans to establish business incubators to house and nurture fresh enterprises into successful commercial ventures (EMPRETEC, 1993, personal communication).

8. CONCLUSIONS

Studies on economic growth and national development have always underlined the relative contributions of labour and the quality of the human resource. Thus governments have always placed commensurate emphasis on investments in education and training. The Structural Adjustment Programme (SAP) otherwise known as Economic Recovery Programme (ERP) embarked upon in Ghana since 1983 has included education and training components. Reforms have been implemented since 1987 from the basic cycle of schooling through secondary and post-secondary education. Vocational and technical education and training are being strengthened and non-formal avenues for training are also being expanded and improved upon. As employment opportunities in the formal sector of the economy become limited, attention is now being directed by government and donor agencies to the potentials of the informal sector in contributing to economic growth. The educational reforms now emphasise the acquisition of skills which promote self-employment and entrepreneurship.

Evaluation Criteria

To evaluate the Ghanaian experience in training for development, the organizational and operational requirements of the institutions must be estimated and the extent to which they have been met determined.These requirements involve considering matters on management, instructional staffing and availability of instructional resources and support services. The equity of access of the training programmes to their target groups and the degree of participation in them also need to be considered. Gender and demographic factors have relevance here.

Then the cost-effectiveness of the various interventions need to be ascertained. Thus matters of funding and programme sustainability have to be examined. Process efficiencies and product quality are also important indicators of the impact of the respective training programmes.

Finally the contribution of the products of these training programmes to the national economic effort and their usefulness to themselves determine the desirability of these programmes.

Different aspects of these criteria were discussed, where suitable, under the different interventions cited in Sections 2 through 7.

National Economic Context

Structurally, the economy of Ghana is still fragile after 10 years of SAP/ERP. Foreign exchange earnings from traditional exports have been decreasing as a result of the continued deterioration in the terms of international trade in primary products. Efforts at promoting non-traditional exports are commendable but the aggregate effects have been insignificant. The manufacturing sector makes very little contribution to export earnings as production in the sector is recognisably uncompetitive. Ghana's import-export balance has been increasing in favour of imports. In 1992, imports exceeded exports by about US$600 million. The economy is characterised by increasing dependence on foreign aid (Richardson, 1993).

GDP growth in real terms declined from 5.3% in 1991 to an estimated 3.9% in 1992. Agriculture also declined by 0.6%. For four years in succession, the growth performance of the manufacturing sector was only 2.7% or less. There were shortfalls in revenue from most sources yet expenditure far exceeded programmed estimates. Market interest rates are around 36%.

The value of the national currency continues to fall. In 1992 alone, the Cedi depreciated by more than 30% against major world currencies. The rate of inflation at the end of the year was about 28%, up from 18% in the previous year. In the wake of a 60% budgetary increase in the price of petroleum products, the inflationary rate in 1993 is estimated to be significantly higher. The purchasing power of workers is low; pressure on disposable incomes has resulted in a weakened demand for manufactured and value-added goods. The cost of living is relatively high.

However international confidence in Ghana's economy is firm. At a donors' conference in Paris recently, over US$2.1 billion was pledged to support Ghana's economic recovery efforts for 1993 and 1994 (Richardson, 1993).

Concluding Remarks

In general, from first cycle institutions to universities, teachers' salaries are low. As a result, many of them do additional jobs to make ends meet. There is, on the whole, a net outflow of experienced professionals from teaching functions to other occupations. At all levels of education in Ghana, there are inadequate numbers of experienced teachers particularly in scientific, technical and vocational subjects. The quality of products in these specialisations therefore suffers. However, a few institutions attract and retain the few specialists available. Students from these institutions are well-trained. Students from the others sometimes do not study the subject in question at all and therefore suffer a permanent handicap. This disparity exists even between urban institutions; between urban and rural institutions, the disparity is further aggravated.

Infrastructural facilities and instructional resources suffer a similar fate. Therefore the acute financial constraints in the Ghanaian economy impose a dilemma which confronts quality and coverage.

Competition to enter the better endowed institutions is keen. Often, admission and attendance of these institutions entail significantly higher expenses.

In 1992, only 63% of the population of children of school-going age were in school, and the majority were male. In primary school, 54.3% of pupils were male; in junior secondary school male dominance increased to 59%. Only 30% of junior secondary school graduates have access to senior secondary education and 67% of them are male. Furthermore, post-secondary education is available to only 27.3% of senior secondary school graduates. In the universities, male dominance reaches 81%.

In primary school, education is not entirely free. There are financial demands on parents and guardians which discourage children from poorer backgrounds from benefitting fully from basic schooling. The demands in junior secondary school are even more intolerable. Nevertheless, the drive continues to provide more schools particularly in rural districts where most of the responsibility is placed on the communities themselves.

Female participation in formal schooling drops progressively from primary through post-secondary education. Training programmes in income generation therefore focus attention on women's activities. Though women also participate in the cited training programmes for practitioners engaged in viable informal sector actvities, there are organizations which cater for their special needs. One such example is Women's World Banking.

All the programmes reviewed are well-intentioned, well-designed and are serving their target groups satisfactorily. However, education and training are not self-serving ventures. Even though they engender socio-political advantages, the longer term challenge of economic development must be adequately addressed. The cost-effectiveness of the various interventions becomes important.

The economy of Ghana is in a parlous state. Training for development, including informal sector interventions, must therefore lead to a gradual reduction in the indigenous, traditional component of the dualistic economy in favour of a modernising and competitive sector.

Apart from poverty alleviation schemes, which in fact are social welfare programmes, education and training interventions in the informal sector must lead to the production of modern aggressive entrepreneurs whose products and services are competitive in international trade. The EMPRETEC programme holds such a promise. Unfortunately, the programmes controlled by government are more renowned for their wide coverage; in effect, they serve a good cause as part of an awareness campaign. Many beneficiaries of these programmes look forward to follow-up support which rarely materializes. The case study of the Textile Dyeing Section of Tema ITTU provides us with a vivid illustration from the GRATIS project. The NBSSI has also been rebuked by the private sector for similar shortcomings (Richardson, 1993; CIBA Law, 1993).

By and large, as a result of the Economic Recovery Programme many new initiatives have been made in human resource development. Non-formal avenues of education and training are being developed and the informal sector is receiving adequate attention. Ghana is moving towards a market-driven export-led economy with the private sector as its engine of growth. Internal funding of projects is, however, a major obstacle.

In conclusion, the experience obtained from the collection of information for this report has been very instructive. For most of the activities, reliable reference documents do not exist. Most of the information contained in this report was derived from personal interviews and classified correspondence made available personally to the investigator in good faith. Data collection for this work consequently depended heavily on personal contact with and goodwill from key personnel.

Nevertheless, it usually took five or more visits to obtain a satisfactory package of information from an identified source.

It is duly recognized that an independent evaluation of the programmes identified will enrich the overall quality of this assignment even though the present report attempted weakly to offer some assessment mainly from the informants' point of view. Many interviewees showed signs of political sensitivity in discussions concerning their jobs and in the general absence of adequately factual information, their opinions were considered largely subjective. At this stage, the objective of the work was to gather as much information as possible on education and training for the informal sector in Ghana, ... the state-of-the-art, so to speak. To add value to what has already been achieved, it is recommended that a second phase of the study be commissioned to investigate the extent to which the identified programmes are meeting their projected targets and stated objectives, and to consider as well other related concerns.

TABLE 1

TYPES OF FORMAL SYSTEM TRAINING INSTITUTIONS SHOWING ENROLMENT OF TRAINEES PER YEAR (1992) AND GENDER REPRESENTATION

	ENROLMENT	
	TOTAL	% MALE
Basic Education		
Primary School	2,001,000	54.3
Junior Secondary School	604,200	58.8
Total Basic	**2,605,200**	
Secondary Education		
Senior Secondary School	225,300	66.7
Vocational/Technical	42,000*	
Total Secondary	**267,300**	
Post-Secondary Education		
Teacher Training	12,506	66.0
Specialized Colleges	2,287	79.6
Polytechnics	9,791	67.7
Total Post-Secondary (Ministry of Education)	**24,584**	
Other Ministries: Information/Health/Agriculture, etc. (estimates)	1,500	
Universities (1990)	9,515	81.3
Total post-secondary	35,599	
GRAND TOTAL	**2,908,099**	

* 59.5% of this enrolment is in private sector schools considered to belong to the informal sector.

TABLE 2

EXAMPLES OF TRAINING INSTITUTIONS FOR INFORMAL SECTOR PRACTITIONERS SHOWING ENROLMENT ESTIMATES PER YEAR (1992)

Education/Training for Income Generation and Survival	
Department of Social Welfare	4100
Institute of Adult Education	5800
Non-Formal Education Division	
Training for Practitioners in Viable Activities	
MDPI	600
NBSSI	140
GRATIS	150
GEPC Export School	300
TechnoServe	300
EMPRETECH	100

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Education and Training for the Informal Sector

KENYA

by

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ACRONYMS AND ABBREVIATIONS

ApproTEC	Appropriate Technology for Enterprise Creation
ATU	Appropriate Technology Unit
CITC	Christian Industrial Training Centre
CRT	Centre of Research and Technology
EEP	Entrepreneurship Education Programme
EE	Entrepreneurship Education
GOK	Government of Kenya
HIT	Harambee Institute of Technology
IYB	Improve Your Business
K-REP	Kenya Rural Enterprise Programme
KTTI	Kenya Technical Training Institute
NIVTC	National Industrial and Vocational Training Centre
NCCK	National Council of Churches of Kenya
NYS	National Youth Service
TTI	Technical Training Institute
VP	Village Polytechnic
VSO	Voluntary Service Overseas
YP	Youth Polytechnic

ACKNOWLEDGEMENTS

First, my thanks go to Professor Kenneth King, the Director of the Centre of African Studies, University of Edinburgh, and staff of the Institute of Education, University of London, for giving me the chance to participate in this study. The research was rewarding, both intellectually and morally.

Secondly, I wish to thank Mr Daniel Owino and John Kuria, both formerly of Moi University, for assisting me in identifying, reading, and reviewing some of the material presented for this report.

Any errors or omissions that remain in this paper are mine.

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30 October 1993

1. INTRODUCTION

1.1 Background

Kenya had a total labour force[1] of 7.5 million in 1984, but only eighty-seven per cent of this (6.5 million) was employed (House, Ikiara, and McCormick, 1990:11). By the end of 1992, Kenya had a labour force of 9.9 million people of which about twenty-eight per cent were unemployed (Kenya Economic Survey, 1993:51). It is estimated that by the year 2000, slightly more than a fifth of the labour force will be unemployed. Table 1 shows the magnitude and structure of employment in Kenya from 1984 to the next decade.

Table 1. Size and structure of employment in Kenya, 1984-2000 (in millions)

Size /Employment source	1984	2000
Total labour force	7.5 (100)	14.2 (100)
Total employment (proportion of labour engaged)	6.5 (87)	11.2 (79.6)
Number engaged in modern wage sector (as a proportion of total employment)	1.2 (15.3)	2.1 (14.7)
Number engaged in non-wage agriculture (as a proportion of total employment	3.9 (51.5)	6.5 (46.4)
Number engaged in non-farm enterprises (as a proportion of total employment)	1.3 (17.5)	2.3 (16.1)
Urban informal sector (as a proportion of total employment)	0.2 (2.7)	0.4 (2.5)
Residual (as a proportion of total employment)	1 (13)	2.9 (20.4)

Source: Adapted from House et al (1990:11) Table 2.

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[1] Total labour force is defined as the working age population, i.e. those between 15 and 64 years of age, who are either at work or else looking for work during a specified reference period (Labour Force Survey, 1987).

The table shows a general decline in employment opportunities between 1984 and the year 2000 in all the sectors, with employment in the modern wage sector showing a pronounced decline. It has been estimated that the size of the labour force will grow by forty per cent to 14.2 million (Ndegwa, 1991:24) between 1987 and the year 2000, while modern sector employment will only grow by a total of 0.6 million over the same period. This implies that about a fifth of the labour force will be unemployed by the year 2000. Many issues arise from this depressing prospect:

- The first major concern is the widening gap between manpower supply and job opportunities.
- The second concern is whether there are strategies that can be used to reduce the imbalance between supply and demand for labour in the country and, if so, whether this can be done soon enough.
- The third concern is whether the government has the political will and capacity to implement such strategies, even if the resources were available.

There is evidence (Manpower Survey, 1987:82) that the imbalance between jobs and the labour force in Kenya will worsen, not improve in future. The Survey indicates that twenty-five per cent of the school-age population seek employment without attending primary school. Of those who enrol in standard one, forty-six per cent proceed to secondary education, while six per cent join village polytechnics. The majority (forty-eight per cent), however, join the labour market at this point.

Similarly, the majority of pupils who complete secondary education (fifty-one per cent) join the labour market, while a fifth proceed to the university. Only about a third of secondary school graduates join skills training colleges.

The data on enrolment at each level of these education and training points suggests an increasing gap between jobs and manpower supply. The Manpower Survey (1987: 123) projects that the total demand for all occupations up to the year 2000 will be around 0.6 million jobs, of which only a small fraction (thirty-eight thousand) will be due to industrial expansion. Over the same period, the combined output from the education and training institutions is estimated to grow at 0.5 million per year. The threat of massive unemployment in Kenya is thus real.

1.2 **Statement of the Problem**

The largest number of new job opportunities - as large as 75.7% - are increasingly being created by informal enterprises, rather than the modern wage sector or agriculture, both of which have been the major source of jobs, and consequently government support, since independence. Evidence from recent manpower surveys indicate that the share of the informal sector in total employment has increased over the years, from less than three per cent in 1980 to nearly a third (27.2%) by the end of 1992. Table 2 summarizes the growth in new employment opportunities in the modern and informal sectors of the economy between 1986 and 1992. It shows that the informal sector has been creating increasingly more jobs each year than the modern wage sector since 1986.

The jua kali (informal) sector, however, faces many constraints, which include harassment by government authorities, lack of certain basic technical and business management skills, and sometimes hostility from large businesses. The jua kali enterprises also face policy-related macroeconomic problems such as a high rate of inflation which erodes the value of their capital and depresses demand for their products or services. All these factors make employment in the informal sector fragile, and investments risky (see McComick, 1990). Because of such problems, jua kali enterprises remain small and thus their potential in creating jobs through growth and expansion are undermined. One way to deal with these problems is to change negative government attitudes and policies towards small and micro-enterprises. Other solutions include provision of credit and certain basic technical and business management skills to the entrepreneurs to initiate, improve, or increase their abilities to manage their enterprises.

Table 2. Percentage growth in job creation by sector, 1986-1992

SECTOR	1986	1987	1988	1989	1990	1991	1992
Informal Sector	10.2	10.6	11.5	12.7	13.6	14.1	13.7
Modern Sector	3.9	3.5	-	2.4	3.0	2.3	1.4
Total	5.1	5.0	5.4	4.4	5.1	5.1	4.6

Source: Adapted from Kenya Economic Surveys, 1986-1992.

1.3 Objectives of the Study

The purpose of this study is to identify the training initiatives that are being undertaken to support the informal sector, which for the last ten years or so has been the major source of job opportunities. In addition, the study evaluates the relevance and effectiveness of each of these initiatives in providing the necessary skills for paid or self-employment in the informal sector. Lastly, based on the findings of the evaluation, the study presents some long-term suggestions which could increase the entrepreneurial and employment capacity of the informal sector.

1.4 Study Methodology

This study draws mostly from secondary data sources which have analyzed various policy and programme initiatives aimed at supporting the informal sector. This is supplemented by primary data collected from five programmes or projects which are involved in providing education and training to groups within the informal sector. About forty-five titles dealing with education and training opportunities for the informal sector are reviewed.

1.5 Organization of the Report

This report is organized into four chapters, each focusing on a specific dimension of the training and education aspect of the informal sector. After this introductory chapter, the existing data on training and education for the informal sector from secondary sources are reviewed in Chapter 2 under four major sections, each reflecting some facet of Kenya's education and training system. Five projects with specific training and education programmes for the informal sector are discussed in Chapter 3, while the lessons from both the secondary and primary sources are presented in Chapter 4. The report also contains a list of references.

2. REVIEW OF THE LITERATURE

Attempts by the Kenyan government to re-orient the curriculum of the primary cycle of education to give students more practical skills and to prepare them towards self-employment in the informal sector are examined in this chapter. The success and failures of the system, together with specific policy strategies, are also highlighted.

2.1 The education system and training opportunities for the informal sector

When Kenya became independent in 1963, the new government decided to expand educational opportunities, with the belief that development of the economy, and thus employment of the educated, will automatically accompany such expansion. The number of children completing primary education increased from fifteen thousand at independence to one hundred and forty thousand by 1973 (Caplen, 1981). Ten years later, the figure had further increased to four hundred thousand. However, contrary to the expectation of the government at independence, many of the students leaving school after primary education failed to secure employment. This problem has been attributed to the then system of primary education (7-4-2-3) which produced graduates with high expectations but few employable skills.

The school leaver problem was formally reviewed in 1975 by the National Committee on Educational Objectives and Policies (GOK, 1975). The Gachathi report, as it is known, recognized the large and increasing number of unemployed school leavers in the country, and the reality that self-employment was the only feasible solution for many of them. The Committee recommended the following strategies to deal with the imbalance between large output from the school system and low demand for the graduates:

- that the education system be reviewed to provide students with as many skills as possible for future self-employment. (p.8)

- that to achieve the above objective, the primary cycle be extended to nine years, and a mixture of adaptive subjects, such as agriculture, home economics, carpentry, fishing, pottery, elementary mechanics, and typewriting, be added to the curriculum. (p.51)

- that students at the primary school be prepared as much as possible for further education to the highest level possible, through the teaching and development of numeracy, scientific and literary skills which deepen their understanding of social structures, values, and systems. The Committee made specific recommendations about the teaching of arts and crafts, woodwork, masonry and bricklaying, and business education (e.g. typing, book-keeping, commerce) in the upper primary classes.

- that technical subjects, such as technical drawing, engineering sciences, and metalwork, etc be emphasized in the secondary school curriculum.

Most of these recommendations were, however, not implemented due to lack of finances. With time, the primary school leaver problem spread to the secondary school leavers as well.

By the late 1970s, the effect of the rapid growth in the number of primary school pupils had reached secondary schools, where the output increased significantly as a result of the emergence of harambee (community sponsored) secondary schools, multiple streams in government maintained secondary schools and private (commercial) schools.

The school leaver problem worsened over the years as the number of students in primary and secondary schools accelerated while economic growth on the other hand declined steadily over the same period. The problem reached a crisis in 1984 when the government appointed the Mackay Commission to find solutions to the problem.

The Mackay Commission made many recommendations including a change of the education system from the 7-4-2-3 system introduced in 1975 after the Ominde Commission to the current 8-4-4 system whereby the teaching of technical subjects, such as carpentry, home economics, and music, are emphasized in primary schools. The proposed system of education was implemented as from 1984 following the recommendations to the Presidential Working Party on the establishment of the second university (Mackay Report 1981).

The 8-4-4 system increased the duration of primary education from seven to eight years but also eliminated the two years of learning in secondary schools after fourth form. However the period of learning at the university was lengthened from three to four years.

In addition to the changes in the number of years spent in school, the commission made significant changes to the school curriculum as well, especially in primary schools. The report in particular emphasized the need to impart not only numeracy and literacy skills to the students but also directly employable skills to students completing their learning at the primary school level. The report was especially concerned about the need to link what students learn in the classroom with potential employment opportunities in the country.

The Mackay Commission made the following specific recommendations to the government:

> It recommended the teaching of practical skills in primary schools so as to facilitate direct employment, self-employment, or employment of school leavers in the informal sector.
>
> It recommended a broad-based primary school curriculum that could provide numeracy and literacy skills in the first six years of primary education and later, in the last two years of primary education, a skills-based basic education which could enable primary school drop-outs to become self-employed.

The 8-4-4 system involved many changes in the structure and content of formal education. Since 1984 when it was initiated, the government has emphasized the teaching of technical subjects in primary schools. Consequently, a wide range of new subjects such as woodwork, metalwork, leatherwork, tailoring, and business education are being taught in primary schools. Other subjects which are also being taught in schools include arts, agriculture and home science. It is believed that this curriculum can prepare the youth for further learning and direct employment, either by self or others. The majority of primary school leavers are expected to become self-employed in the rural informal sector where most of them live.

The primary school curriculum is broken into two phases. The teaching of literacy and numeracy skills accounts for the larger part of the students' learning time in the first six years of the primary programme. The teaching of subjects such as business studies, tailoring and carpentry after class six is believed to prepare the students to understand and appreciate market opportunities and how to start and manage a small enterprise.

The government saw the need to provide a practical oriented curriculum that would offer a wide range of employment opportunities. Graduates of the 8-4-4 system at every level of the education cycle are expected to have some scientific and practical knowledge that can be utilized for either self-employment, salaried employment or for further training (Kerre 1987, Sifuna 1985). However, research findings presented elsewhere in this paper indicate that this has proved difficult to achieve.

The government also introduced further changes at the secondary level. Of the over 200 secondary schools in Kenya today, eighteen are technical training institutes, while thirty-five are industrial or vocational schools offering training in carpentry and metalwork to the students. Agriculture is offered by 130 schools, business education by 35, while home economics is taught in 106 schools. This reflects government efforts to introduce more practical subjects into the secondary school curriculum. However, the 8-4-4 system was bound to have many problems right from the start. First it was implemented quite hurriedly without proper testing to show whether it would succeed. This was done especially against the good advice of curriculum specialists and experienced educators, who had foreseen the practical implications of this system, not in terms of relevance but rather in terms of resources and organization. The argument advanced at this stage by the government or proponents of the system was that the system had succeeded in many developed countries, and thus there was no reason why it should fail in Kenya.

The proponents of the new system of education failed, however, to realize that Kenya, unlike the developed countries where the system had successfully been implemented, lacked the capacity and resources to initiate an expensive change such as this one. The truth was that most Kenyan schools lacked specialist teachers, workshops, and equipment to implement practical education in primary schools.

Other sources of failure in implementing the 8-4-4 system were due to lack of support by parents and teachers. None of these important agents in education were involved or prepared by the government in selecting and designing the 8-4-4 system. Unsuprisingly, many parents resisted or were reluctant to finance the construction of workshops and the purchase of equipment in primary schools. Even if the parents were involved at all the stages of designing the new education system, it is unlikely that many of them could have been able to make the necessary contribution given the recent decline in levels of income in Kenya. Teachers, on the other hand, were unprepared or unable to teach the new subjects and thus largely concentrated on teaching the traditional subjects in which they had experience and training. Lastly, the new system of education lacked an internal system for monitoring and evaluating its progress and relevance.

In general, the 8-4-4 system so far seems unlikely to achieve its objectives. The major failure of the system is that students' attitudes toward practical education remain negative and their mastery of technical skill after the eight years of education is poor. Instead, the focus of teaching and curriculum is still based on passing exams for further education or access to white-collar jobs. In simple terms, what the students learn in primary schools under the 8-4-4 system of education is inadequate in helping them to become self-employed or creating positive attitudes towards post-school training which can lead to the acquisition of the necessary skills. Evidence from recent studies focusing on the impact of the changes embodied in the 8-4-4 on skills and opportunities of primary school leavers suggest that it has failed to achieve its objectives.

Shiundu (1991) has studied the post-school activities of primary school leavers under the 8-4-4 system of education in a sample of rural areas. His findings are, however, indecisive. On the one hand, he argues that subjects learnt in schools by primary school leavers, such as Mathematics, Science and Agriculture, Arts, Crafts, and Health Science, etc, have contributed to the development of work skills. On the other hand, he presents evidence which shows that most primary school leavers from the 8-4-4 system of education acquire most of their skills through apprenticeship in jua kali businesses, or casual labour. For example, a majority of the school leavers studied, when asked to indicate the source of their skills, hardly mentioned the practical subjects taught in schools.

However, as Shiundu (1991) rightly comments about his findings, curriculum reforms in most cases have been made in ignorance of the nature of the informal sector which they seek to support or strengthen. The general knowledge of activities that go on in the informal sector seems to be the guiding factor.

In the same study discussed above, Shiundu (1991) challenges the belief that vocational education can be achieved through the formal school system. He argues that, since the specific production skills are best and most easily acquired in the informal sector itself, it would be uneconomical to emphasize complete vocational education, which requires a wide range of expensive tools, equipment, and workshops in primary education. He notes that most primary schools in Kenya currently lack such resources and are unlikely to acquire them in the future. Furthermore, he argues, if such tools and equipment are used to train the youth, this will not prepare them for the real work situation (the informal sector) where they are unlikely to have access to or use of such equipment. He argues that such an approach can, in fact, drive the pupils further away from the informal sector, where they are expected to seek self-employment. Instead, he argues, the students are likely to seek employment in the formal sector, which provides a working environment similar to the one under which they acquired their skills.

Shiundu (1991) therefore recommends the improvement in the learning of general academic subjects in schools so as to give the youth a variety of general skills and therefore a broader base for selecting and fitting in as many occupations as possible. This, he argues, is better than offering a few technical and vocational subjects providing specific skills for only a few occupations. He also advocates increasing learners' awareness of occupational opportunities in the informal sector, and how what they learn in school relates to these occupations. In his words, 'all subjects in the school curriculum, especially mathematics and those which develop communication skills have useful vocational content'. He asserts that the method of teaching is what determines what is learned and how it is applied by the students. He thus recommends that the teaching methods should be appropriate to the expected work conditions and processes.

Other studies evaluating the 8-4-4 system of education have come to the same conclusions. Owano (1988), in a study of the impact of the 8-4-4 system on employment, concludes that both the objectives and content of the new primary school curriculum are similar to those of the 7-4-2-3 system of education. In her opinion, the objectives and contents of the 8-4-4 system of education remain broad and too general in terms of directly employable skills.

Kerre (1987) is of the opinion that the basic problem of the 8-4-4 system of education is that the government lacks a specific policy statement on how the system is to be implemented. He notes that there is a general lack of national policy on the orientation of vocational education in the Kenyan education system. He gives, as an example, the absence of a policy statement on whether, in primary and secondary schools, vocational education should be concerned with building positive attitudes and knowledge about such occupations or whether it should be concerned with the actual transfer of such occupational skills. He recommends that the content of vocational education should be designed in the light of occupational awareness so that concepts and attitudes are positively formed towards work.

In Kerre's (1987) view, the new vocational subjects introduced in the 8-4-4 curriculum represent an attempt to provide a foundation for future specific skill training, rather than an attempt to impart skills which can immediately be used by the primary and secondary school graduates seeking wage or self-employment. The 8-4-4 system faces other problems as well. As argued by Owano (1988), most primary school children are at this age pre-occupied psychologically with further education, rather than learning directly employable skills which are acquired after primary school. Unsurprisingly, most of them view the acquisition of directly employable skills as a last resort, when opportunities for further education are exhausted.

The attitude of pupils to technical education at this level is further undermined by lack of basic facilities and qualified teachers to handle the practical subjects in most of the schools. Innovative attempts by some schools to use local craftsmen to demonstrate certain skills to the students have received negative reaction from the students who feel or believe that they know more than the local craftsmen. This has undermined the integrity of practical subjects in the eyes of the learners.

The pupils' negative attitude to learning directly employable skills is further reinforced by the way the government has allocated learning time between technical and academic subjects under the 8-4-4 system. In general, technical subjects form a very small part of a broad course offered in primary schools. Only fifteen per cent of the learning hours are devoted to practical subjects. When it comes to terminal evaluation of students, again the weight put on technical subjects in measuring students' performance is low. The message that pupils get from all this is that academic subjects dealing with literacy and numeracy as well as simple scientific principles are more important to learn than those dealing with practical education.

The evidence from these studies suggest that the forty-eight per cent or so of students joining the labour market at the end of primary school lack directly employable skills. Most of the analysts agree though that the new system of education has created some awareness in pupils about occupational and vocational skills and how these relate to the job market. In conclusion, the work of imparting specific vocational skills will for the time being continue to be done on-the-job through apprenticeship, and in post-school institutions such as the youth polytechnics, which six per cent of primary school leavers join after primary education.

Shiundu (1991), in the study already discussed above, also found evidence which shows that the primary school curriculum has several useful vocational elements. However, he found that students cannot link what they learn directly with employment or production because of the teaching approach. For instance, he found that many of the students were unable to write legibly or read useful government and other documents. Furthermore, many of them were also unable to calculate sums and give correct change based on business concepts such as discounts, profits, and interest, which they learn at school.

Perhaps Shiundu's view of the 8-4-4 system of education is contradictory. On the one hand, he argues that the 8-4-4 curriculum is costly and irrelevant in relation to the skills required by school leavers to become self-employed. But on the other hand, he commends the system as providing useful knowledge such as that obtained from learning mathematics and business studies which school leavers can apply in actual life.

It seems that Shiundu's problem is in drawing a line between technical and business management skills. What he seems to be saying is that the knowledge gained by school leavers from learning mathematical and business principles in school can directly be used in business management. However, one needs practical skills to engage in production. If that is indeed the case, then policy makers seem to have overlooked the possibility that the school leavers could engage in commercial rather than manufacturing activities and still become self-employed.

It is not surprising, therefore, that other researchers - who also look at self-employment as being only possible in production activities - have also supported the need to orient the curriculum towards the needs of the informal sector. Williams (1980), for example, advocates increasing the vocational content of primary education and making vocational courses more available. The author recommends the use of traditional methods of short-term skills instruction in informal apprenticeships in the primary and secondary school context as one possible alternative to make the content more vocational.

In general, the problem with the 8-4-4 system of education seems to have been poor planning and implementation, rather than its objectives or curriculum content. The system has proved costly to implement in all primary schools; construction of workshops, purchase of equipment, and training or re-training of teachers, which is critical in teaching skills-based subjects, have not been possible in more than ten years of implementation. Teachers' and pupils' attitudes to learning practical subjects have remained negative throughout the period. The emphasis on academic subjects as reflected in the content of examinations and the school time-table has reinforced these negative attitudes. Lastly, the curriculum is currently too broad, and both students and teachers are unable to concentrate on every aspect of the learning, especially technical subjects which generally require more time.

Two conclusions by House et al (1990) perhaps best summarise the role of education in skills training for the informal sector. In one of these, the authors commented that 'the most notable characteristic of the self employed is the virtual absence of public sources of training' (p.41). They also further observed that the urban labour force survey (GOK, 1988:62) shows that unemployment is highest among recent school leavers who fall within the 20-29 years age group. These are most likely to be those who have graduated from the 8-4-4 system of education since 1984.

2.2 Post-education training programmes and skills acquisition

One major focus of studies on education and training provided by NGOs to informal sector operators is the relevance of such skills to their needs. Such studies also look at the cost and impact of these training opportunities on informal businesses. Some of the evidence from these studies is presented in this section.

The rationale for Kenya's non-formal education is to be found in the thousands of youth who directly join the labour force or other educational institutions, either after completing standard eight or during secondary education. Many of them remain unemployed for a long time after leaving school. Recent labour force surveys (GOK, 1986) indicate that the average job queue for non-university graduates can be as long as six years. Non-formal education, then, is geared towards what Sifuna (1975) has called 'the unfinished business of primary schools'. Each year, the economy inherits a vast clientele of youth who fail their exams or lack the money to continue in the formal education system, and do not have the skills to become self-employed. There is a history behind this dilemma.

Technical vocational education, offered in plenty during colonial times, was resented by the Africans, who regarded it as being designed for the less gifted and inferior, and was thus labelled by them as '..education for servitude' (Kasina, 1987). Predictably, the emphasis in the post-independence period was on economic expansion, Kenyanization and expansion of education to provide the necessary skills. The government, through the Industrial Training Act (1960) and, later on, the first National Development Plan (1964-1970), introduced policies regulating the training of persons engaged in industry to achieve these objectives.

A commission of inquiry into the terms of service and remuneration of the public service (known as the Ndegwa Commission of 1970/71) also addressed the subject of vocational training. The report, with regard to the then existing secondary vocational schools, recognised the need to exploit the facilities intensively and with maximum economy in the training of people for direct employment on completion of courses. The commission specifically recommended a review of the content and duration of the above vocational courses so that they could be used to meet future manpower requirements of the country. The commission was convinced that '...the government's priorities in the field of educational expansion should lie in the development of technical education' (p.146). It seems clear from the concerns of this report that as early as the 70s the government had realised the need to encourage vocational education and training.

The strategy of teaching vocational subjects in schools, as emphasised in the second development plan (1970-1974), was considered by the government as one way to provide school leavers with skills for self-employment, and to create economic and social balance between the urban and rural areas. This shift toward vocational education, coming so soon after a negative campaign against such education after independence, was prompted basically by the realisation that the modern sector was unable to absorb the thousands of youth who were flooding the job market each year on leaving school. It was then believed - correctly so - that the skills obtained from such vocational education could be used by school leavers in starting self-employment projects.

One year after the recommendations of the Ndegwa report (in 1975), the Gachathi Commission made similar recommendations, urging the government to develop a secondary school curriculum which focused on the teaching of technical subjects such as technical drawing and engineering-based classes. And in 1981, some six years later, the Presidential Working Party on the establishment of a second University recommended the co-ordination and full use of post-secondary education institutions to provide the country with larger numbers of middle level manpower. The Committee further recommended '...the expansion of post-secondary training institutes to increase the output of technicians and craftsmen both for the formal and informal sectors' (p 125).

Since then, efforts to solve the problem of youth unemployment have included the initiation or further expansion of education and training programmes for youths both in school and out of school. Among the post-school vocational training programmes recognised by the Gachathi report was the Youth Polytechnic (YP) programme, originally known as the Village Polytechnic (VP) programme. The YP programme was initiated in 1968 by the National Council of Churches of Kenya (NCCK), a non-governmental organisation, rather than by the government which had all along recognised the need for this kind of programme.

2.2.1 The Youth Polytechnic Programme (YPP)

The NCCK developed and popularised the concept of YPs as a solution to the problem of employment and education for primary school leavers. The NCCK, recognising the rapid development of a serious unemployment problem within the primary school leaver population, decided to establish low-cost post-primary school training centres in rural areas in 1966, which later became known as Youth Polytechnics. The NCCK, after a study of the school leaver problem, published a report in 1966 known as: After School, What? The report identified the rapid development of a serious unemployment problem among graduates of primary schools and recommended the development of the YP programme.

The general argument for the YP programme was that school leavers were unable to become self-employed or get salaried jobs because of inappropriate education. Consequently, the government was urged to reform education so that it promoted non-formal, practically-oriented training similar to the one provided by the YP programme.

The Village Polytechnics were originally to provide rural primary school leavers with skills which were in demand in the local economy, thereby engendering a cadre of self-employed artisans and independent work groups. The main hope was that training in the YPs would be both practical and productive. It was further expected that the training would be locally designed and thus remain relevant to local work opportunities. In addition, it was hoped that the trainees would identify work opportunities for themselves and thus select the appropriate areas in which to train. Lastly, it was hoped that the curriculum would largely be based on the job type of experience and thus be flexible. It was hoped that this kind of training would reduce the influx of school leavers into urban areas.

The YPs are small training centres which provide local youth with an opportunity to learn simple practical skills, for example, masonry, carpentry and tailoring. A survey of these centres (National Manpower Survey, 1989:91) shows that tailoring, dressmaking, home economics, and knitting were the most popular (31 per cent of students), followed by carpentry and joinery (28 per cent). There was a total of 23,972 students registered for eighteen courses in the YPs in 1989. The survey gives the output from these YPs between 1987 and 1992 at an average of 6,379 artisans per year.

In general, the objective of the YP programme is that its graduates will obtain the skills which they can use to become self-employed in the rural areas. The overall effect of this strategy would, theoretically, be to reduce youth unemployment, de-accelerate the pace of rural-urban migration, while enhancing the development of the rural economy through non-farm rural enterprises.

Initially, the NCCK was the major sponsor of the YPs. However, the YPs were gradually taken over by the government (1970-71), which mainly paid salaries for teachers. There emerged, therefore, an NCCK-Government framework in which the present YPs operate.

As mentioned earlier, the polytechnics offer courses in carpentry, masonry, tailoring and dressmaking, domestic science (eg baking), typing, poultry keeping, rabbit keeping, tinsmithery, metalwork, and plumbing, among others. The trainees are encouraged to understand the needs of the community and then to use the skills learned to design and construct goods that meet those needs, possibly using locally available materials. Over time, the YPs were expected to be self-sustaining, with the goods manufactured being sold and the proceeds used to finance the activities of the institutions. In addition, the newly acquired business training was expected to be useful to the graduates of the YPs in marketing the manufactured goods, either through co-operatives formed after the courses or during trade exhibitions.

But the main question here is whether the YP programme has been effective, and whether it has achieved its objectives and met the expectations of the public. Orwa (1982), in a study of the programme, found that it had achieved most of its objectives. He found that the YPs have been successful in changing the attitudes of young people towards manual work and technical education. The programme had also enabled many young people to be engaged in gainful employment. In addition, the students had acquired many useful technical skills, ranging from electricity and motor mechanics to bee-keeping, poultry-keeping, and plumbing.

Other studies have also noted the achievements of the YP programme. Owano (1988), in another study of the YP programme, found that most YP graduates used their skills to earn a living and even create employment for other youths. He also found that the programme had changed the youths' attitude towards rural areas and had made them regard their rural home areas as their future places of employment.

Kipkorir (1975), in a study of the development and co-ordination of non-formal programmes, observed that, when large numbers of school leavers join the labour market without any hope of immediate employment opportunities, the YPs offer temporary relief as some of the students enrol in these centres as they wait or search for jobs. In the meantime, the YPs provide the youth with some form of vocational training so that many of them are transformed from being semi-educated, unskilled, unemployable individuals to semi-skilled, employable labour.

The success of the YP programme can also be judged from its massive expansion over the years. Yambo (1986), for example, shows that in 1980, the number of government-aided YPs was 244, with a total enrolment of 14,997 trainees and a combined staff of 1,335 instructors.

Within three years, the total number of government-aided YPs had increased to 287, while the number of trainees and instructors had risen to 21,473 and 1,620 respectively. By 1985, there were 321 government-aided YPs, while the number of trainees remained high at 24,620. This growth indicates that the YPs had something useful to offer to the fee-paying trainees.

Despite notable achievements, evidence from recent studies suggests that the YP programme lost focus of its initial objectives over time. Lindsay (1986), in a study of entrepreneurship development in Kenya, found that the YPs have become more attached to the formal trades certification system, and most trainees are more concerned about obtaining certificates for wage employment rather than entrepreneurship. The study further shows that the YPs now offer courses that are unrelated to the needs of employers and industry. This means that those who trained in these YPs are as unlikely to be employed as any other untrained school leavers.

A study of YPs by Action-Aid (1982), cited in Kerre (1987), laments that their contribution to rural development has remained under-exploited. The study notes that past assistance to YPs by NGOs was uncoordinated, resulting in duplication and neglect of certain important institutional needs. The study recommended that the government should take a lead in reviving the original purpose and direction of YPs.

Other limitations of the YPs are noted by Owano (1988), who gives evidence which shows that the YP programme offered opportunities to only a small fraction of the unemployed primary school leavers. The study also found that the focus of the curriculum in these YPs was too narrow, while some of the skills offered, such as tailoring, dressmaking and home economics, were not in high demand in the rural areas. The study further found that, while YP leavers obtained production skills in their particular trades, they received insufficient training in business management skills which undermined their chances of succeeding in self-employment.

Some of the few projects which are concerned with this aspect include the joint ILO and SIDA funded schemes, which emphasise the need for a revolving fund directed at work groups made up of YP graduates. A similar scheme is also being funded by the Kenya Association of Youth Organisations (KAYO).

In general, even though the YP programme seems to have failed to achieve a number of its objectives, it still ranks as the most accessible training programme for primary school leavers. It started as a low-cost informal training programme initiated, financed, and managed by the local community to impart practical skills for self-employment to primary school leavers. Over the years, some of its initial objectives have been forgotten. Only a small proportion of YP leavers (about 23%) become self-employed, and even a smaller percentage of this number survive (Caplen 1981). Lastly, of those who survive, the majority are unable to expand their businesses beyond a certain point.

In general, many writers on the subject of skill training for employment seem to agree that skill alone is insufficient for one to become self-employed. They all underscore the need for a credit scheme to support projects started by YP graduates. The Kenya government, which coordinated the YP programme, believes that YP leavers could solve some of these constraints by forming work groups. It has therefore urged YP management committees to operate a *Leaver's Fund*, from which leavers could be given credit to purchase tools and equipment to start their businesses. Leavers are also encouraged to form work groups so that they can get support from donor agencies and from the government. Several donor agencies are currently funding some of the programmes aimed at helping the YP leavers through work groups to exploit their skills.

However, some analysts have challenged the government policy on how YP graduates should be helped to start their business. A study by Owano (1988), for example, shows that while the government and donor agencies are convinced that work groups are the most viable strategy for youth employment, most YP leavers on the other hand prefer to be self-employed individually. In their view, this gives them independence and more incentive. One conclusion from this conflict of strategy is that the government should reconsider its emphasis on work groups and instead consider the views of YP leavers when planning programmes aimed at assisting them to earn a living.

2.2.2 The National Youth Service (NYS)

The National Youth Service is the second largest training programme for unemployed youth after the Youth Polytechnic programme. It was established in 1964 for youth between sixteen and thirty years of age. The recruits were viewed, first and foremost, as a disciplined force.

The objective of the programme was to place the youth in an environment that would inculcate good citizenship and at the same time provide an opportunity for education and training to make them productive, skilled workers or farmers. The original motivation was to keep unemployed youth off the streets. Most recruits were originally primary school leavers.

The recruits stay for between one and two years, work in the construction of roads, dams and flood protection and occasionally operate as a paramilitary force. They are also provided with some specialised training, for example, accounting, storekeeping, agricultural training, clerical work, and driving. The service also undertakes to improve whatever formal education level the recruit had reached on joining the service. Thus, those who join as illiterates leave after learning how to read and write. The NYS also maintains a vocational training centre in Mombasa, where recruits are trained in masonry, carpentry, motor vehicle mechanics, fitting and joinery, electronics and plumbing, tailoring/dressmaking, panel beating and welding. Those who show exceptional competence at this centre are taken to the central workshops in Nairobi for further training.

A survey conducted by Yambo (1986) shows that the NYS had an enrolment of 4,299 trainees in 1980, with 732 of them graduating in that year. In 1983, total enrolment was just under 7,000, with 3,000 trainees admitted that year alone. In 1985, enrolment was over 7,000 trainees, representing a sixty-three per cent increase over the 1980 enrolment figures.

Although the NYS was originally intended for primary school leavers, it has recruited more and more secondary school leavers each year. The courses offered are similar to those offered in Harambee Institutes of Technology, YPs and technical training institutes.

Like the YPs, the NYS programme has faced several problems in its endeavour to give specialised training to the youth. Sifuna (1975), in a study on some aspects of non-formal education in Kenya, notes that, although the programme was intended for rural economic activity, it appears urban-oriented and thus fails to address the problems of the rural youth. Kipkorir (1975), in a similar study, highlights the financial constraints facing the leavers who want to start their own enterprises. He argues that many of the NYS graduates come from poor families, and obtaining capital for self-employment and even buying the necessary tools or building workspace has been a problem for them. This has resulted in many of them drifting to the towns to seek salaried jobs.

Another setback in the programme was the diversion of its resources to train pre-university entrants. This pre-university training programme, initiated in 1984, was meant to make university students disciplined and thus minimise the incessant student riots. The programme was, however, shelved in 1990 when it became too expensive to run. In general, the operation of the pre-university programme put a big strain on the budget and facilities meant for the original entrants, and it disrupted the NYS intake of new recruits for almost four years.

2.2.3 The Harambee Institutes of Technology (HITs)

The Harambee Institutes of Technology (HITs) began in the early 1970s with the spirit of self help. The objective was to train craftsmen to meet the growing demand for skilled manpower in the rural areas.

The institutes, originally funded mainly by members of the public, were set up to provide training opportunities to large numbers of school leavers. The difference between HITs and YPs is not so much in the courses offered but in the level of training. The aim of HITs was to produce graduates equipped with good technical training to help alleviate youth unemployment. These institutes therefore represented a massive addition to the existing provision of technical and vocational training.

Originally, the HITs were designed to produce self-employable people with a higher skill and technology level than that possessed by the YPs graduates. The training lasted for three years. Some of the courses offered by HITs include:

- building construction (masonry)
- building services (plumbing)
- mechanical engineering
- business technology (accounting)
- textiles
- agriculture
- technical teacher education (for the institutes).

The students were expected to set up income generating activities when they graduated from the institutes, and provide much needed skills in the rural economy. Management skills were also included in these courses as a necessary part of self-employment. For example, builders could learn site management, business mathematics and costing. Some of these institutes had production lines for goods such as garments, furniture and machinery spare parts, which were manufactured commercially in several institutes.

The first HIT enrolled trainees in 1973, with the number of institutes rising to five by 1977, with a total enrolment of 317 trainees. By 1984, the number of HITs was fifteen with a total enrolment of 3,900 trainees.

The HITs, although administered by the local community, have attracted a lot of funds from donor agencies and the government, the latter giving support in the form of teachers and student bursaries. The HITs have provided much needed skilled manpower, both for the formal and informal sectors. They have proved the easiest avenue to reach those students and recent school leavers most likely to seek self-employment. However, like their predecessors, the HITs have had their own shortcomings.

Yambo (1986), in a study of technical training and work experience in Kenya, found that HIT leavers had a stronger tendency towards wage employment than self-employment. Because of this, they tend to drift to urban areas, where they expect to get wage employment, which undermines the original purpose of HITs. Lindsay (1986), also in a study of the HITs, found that the programme has recently added more theory to the curriculum. In addition, many students, once they graduate, fail to establish their own businesses due to lack of support or encouragement from the government. Generally, less than ten percent become self-employed.

The biggest problem faced by these institutes, however, is the employment prospects for their trainees. The skills obtained from these institutes are capital-intensive and thus the graduates require large amounts of capital to be able to start their own enterprises. This is why, rather than waste time, most of the graduates look for salaried employment.

The Mackay Report (1981), in response to the problem faced by the HIT leavers, recommended that the HITs should receive increased assistance from the government. It also recommended that the institutes should be appropriately harmonized and co-ordinated at all levels of course programmes. It also recommended the expansion of the HITs to meet the challenges of the country's development, especially in the rural areas.

In general, the HITs have, to some extent, achieved their objectives. They have greatly added to the number of employable youth with skills to start their own businesses. The outside intervening factors, for example lack of capital, are beyond the scope of HITs. The government and donor agencies should fund HITs and their graduates to enable them to achieve their objectives.

2.2.4 Technical Training Institutes (TTIs)

Apart from the above technical and vocational training institutions, there are also technical training institutes (formerly technical high schools). These institutes, while giving some introductory experience of workshop technology, are much more concerned with the subjects of basic to higher technological studies. Their focus is therefore in enabling school leavers to upgrade their basic knowledge for the National Polytechnics which are at the apex of vocational education in Kenya.

The technical institutes offer four year training programmes, part of which includes industrial attachment to some firms. However, the aim of the technical institutes, like the national polytechnics, is to produce middle-level skilled manpower basically for the modern sector. In 1986, there were twenty technical institutes and three national polytechnics.

In conclusion, it can be stated that Kenya has a strong network of over six hundred institutions involved in technical and vocational training for school leavers, ranging from youth polytechnics to technical training institutes, institutes of science and technology, national polytechnics and several private and government departmental institutions offering a wide range of programmes from artisan and craft certificates to technician's and higher diploma certificates. The YP programme accounts for one third of trainees enrolled in these institutions. What seems to be missing is a strategy to harmonize these non-formal education programmes to better achieve their goals.

2.3 Work experience in the modern sector and skills transfer to the informal sector

The relevance of work experience in the modern sector to self-employment or entrepreneurship in the informal sector is examined in this section. Some of the issues discussed include the extent to which the resources of employer-based training have been used by retirees in starting their own business.

After independence, the Kenya Government embarked on a two-pronged approach to industrialisation in the country. This included the introduction and expansion of technical education to provide the much needed skilled middle-level manpower for the modern sector of the economy. The government, at the same time, also embarked on a systematic programme of regulating training for those already employed in the modern sector. The organisation of industrial training is based on the norm that the training is mainly a non-formal rather than a formal kind of training (Kasina, 1987). It aims at equipping the employee, on a continuous basis, with the necessary skills, knowledge and attitudes for performing his job.

Many proponents of training for the informal sector also support employer-based training programmes. Williams (1980), for example, argues that because of the linkages between formal and informal economic activities, stimulation of the former is reflected in the latter. This is also confirmed by Lindsay (1986) who reported that many of the `raw materials' of petty production in Kenya are the wastage of the formal sector.

The Kenya Government, therefore, in seeking ways to expand the economy, passed the Industrial Training Act (1960) and later on the first National Development Plan (1964-1970), which provided for the regulation of training of persons engaged in industry. The National Industry Training Council, established in 1975, was charged with improving the quality and efficiency of the training of personnel engaged in industry. The government, to this end, also established the *Industrial Training Levy Fund* for the financing of industrial training courses by various ministries and industries.

The Ndegwa Commission Report (1970/71) also recommended the introduction of the levy fund as it was expected to have a profound effect on the administration and organisation of various training schemes. Employers normally contribute to the levy periodically and the proceeds are used to sponsor employees from contributing institutions to undertake short industrial training.

Courses available under the industrial training scheme include technician, craft and skill improvement courses. Such courses are conducted at various institutions, for example, the national polytechnic, industrial training centres, and institutes of technology. A number of employers also run in-plant indentured learner and skill improvement courses.

Apart from these training schools, which are under the Ministry of Education, the Ministry of Labour has four training institutions, one being the National Industrial and Vocational Training Centre (NIVTC) in Nairobi, which caters for craft training of apprentices sponsored by employers. Two other NIVTCs are in Kisumu and Mombasa.

The NIVTCs offer courses to apprentices in the following skill areas:

- building
- electrical courses
- mechanical courses
- motor vehicle repair, among others.

Many of the students attending NIVTCs are on short, skill-improvement courses. The training also includes on-the-job experience.

Parastatal organisations also offer training in their own institutions. The Railway Training School, for example, trains telecommunications technicians, electricians, building and civil engineering technicians, and accounts clerks etc. The Kenya Posts & Telecommunications Training School offers a two year engineering course leading to a certificate.

These training programmes have however been criticised for catering only for the present needs of employers and fail to consider the long-term manpower needs (Kasina, 1987). What has become apparent, as discussed in studies of these programmes, is that most of the trainees use the acquired skills to start small-scale enterprises, especially after retiring. A study by Oketch (1991:28) focusing on the profile of K-REP credit beneficiaries shows that nearly two-thirds of the clients had worked for wage income at one time or another. What is more revealing from this study however is that of those with work experience, only a very small percentage (2.7%) had been employed in the informal sector before starting their own businesses. This strongly supports the view that training in the modern wage sector, whether obtained through the programmes discussed above or on the job, is a big source of skills used in the informal sector.

Another study by Aleke-Dondo and Oketch (1992), using the longitudinal or borehole method, found in a sample of 83 microenterprise operators in the furniture and shoe making subsectors in Kibera, Nairobi, a high transfer of skills from the modern sector to the informal sector. The study found that, even among those who train in the informal sector, the majority first seek wage employment in the modern sector before later deciding to start their own enterprises. There is also evidence from this study that many informal sector operators have established small businesses while still in regular employment. These businesses are, initially, mostly open after work hours or over the weekends, and some are managed on a full-time basis by relatives and close family members. The major objective of such pre-business enterprises is to help the operators supplement their regular wage income. Many of them soon discover that they can earn more income from these over-the-weekend or after-work activities than from their wage income and that is when they resign and start small enterprises.

Among the paid urban workers, a recent survey (House, Ikiara, and McCormick, 1990) shows that fifteen per cent of women received their skills from employer-based on-the-job training, while nearly eight per cent and three per cent of men and women workers attended employer-financed training courses.

Some employers, in an effort to cut down expenditures on manpower employment, offer generous amounts of money to employees who opt to retire at the early age of forty years to become self-employed. However, this idea is yet to take root among many employees. On the whole, based on these findings, the employer-based technical education programmes, although generally geared to meet the needs of the employers, have benefitted the informal sector. Even the fears expressed by the Mackay Report (1981) that these programmes were not specifically oriented towards informal sector needs, nor supposed to prepare graduates for self-employment in the event of termination of employment, are contradicted by these findings.

2.4 Supply and demand for skills within the informal sector itself

Two types of skills training occur in the informal sector. One type is natural, arising from the demand by school leavers themselves for various types of skills for the labour market. The other type is interventionist, arising from the belief by the government, donors, and experts on the sector that jua kali operators lack certain skills which interfere with their prospects for survival, growth and expansion (Marris and Somerset, 1971). We review the skills training opportunities within the informal sector itself in this section. Various NGOs and governmental organisations have intervened to improve training within the informal sector. We also look at such interventions in relation to the use of skills provided by such programmes in the informal industry.

Starting with interventionist-based training, Marris and Somerset (1971), in a study of entrepreneurship and development in Kenya, hypothesise that entrepreneurs need three kinds of skills: a practical imagination to enable them to recognise opportunities new to their world of experience; an ability to order the day-to-day routine of their business so that money is accounted for, employees know their work, orders are recorded and fulfilled, the plan prepared and services, made available; and finally, enough general knowledge to support the first two skills. The authors also assert that the relevance of general education or specific vocational skills must vary with the stage of development that a business has reached. In their opinion, any attempts to teach entrepreneurial skills would have to determine exactly what handicaps a businessman has at a particular point in his growth. Nevertheless, they agree that informal sector training has many advantages.

As Williams (1980),notes, employment in the informal sector represents a substantial portion of urban employment and argues that the informal economy could generate employment at lower capital costs than the formal sector if effectively stimulated. He also details certain positive features of the Kenyan economy, which include upgrading of the labour force through low-cost development of practical skills and entrepreneurial talents. Kerre (1987), in a report on strategies and options for technical and vocational education and training in Kenya, notes that in the early 1970s, the informal sector in Kenya emerged to supply basic goods and services to low-income households. As a result of this vibrant economic sector, informal on-the-job training emerged as well, whereby individuals functioned as artisans and later started their own businesses.

This kind of informal sector training has expanded in Kenya, attracting the attention of outside donor agencies and the government. King (1975a) cited in Williams (1980) also notes the effectiveness of informal sector training. He argues that, historically, skilled workers have been trained on the job, and employers are interested in job skills rather than certificates. In this kind of training, labour intensity and adaptation and improvisation of materials and tools are the rule. King notes that training in the informal sector is quite rapid due to the teaching of skills specific to a particular product or service.

Yambo (1991), in a study on the training needs assessment of the informal sector, found that the training needs required in the informal sector included financial management, advertising and marketing, general management and, finally, technical-oriented skills.

Yambo argues that the future of informal sector training depends on the sustainability of the informal sector. He feels that the inability of the modern sector to employ the large output of labour will force people into informal activities. He therefore predicts that informal activities will increase. He reasons that the lower purchasing power of many people due to inflation will force them to buy cheap goods and services provided by the informal sector. He thus sees a great need for training opportunities for the informal sector if it is to continue in its important role of sustaining the economy. It is basically the realisation of this need that has made several NGOs and government agencies give some training to these people. House et al (1990) make the following observation on this issue:

> ....apart from university and college training received by those in professional occupations, the majority of self-employed who have acquired some skills have done so through informal sources, namely apprenticeship and on-job training (p 18).

In a recent urban labour force survey (GOK, 1988) cited in House et al (1990), it is shown that the majority of workers (sixty percent of males and seventy five percent of women) in the urban labour force have no formal private training. Table 3 shows the source of training by gender and employment among the labour force.

In Kenya at present, there are over fifty NGOs, donor agencies and government departments giving one kind of training or another to jua kali operations. In 1988, the government created a Ministry of Research, Technical Training and Technology which was given the role of lobbying for funds and providing training for organised groups of small scale entrepreneurs. The new Ministry established the Entrepreneurship Education Programme (EEP) in July 1990, to further its goal. This programme is funded by the UNDP but is being implemented by the ILO in collaboration with the ministry. It has the objective of introducing entrepreneurship to all students enrolled in the technical training institutes. The programme also gives small scale businessmen who are already in business some training in practical business skills.

The Ministry, through the provincial technical training officers, also conducts periodic training for small scale (jua kali) artisans and businessmen. Much of the training involves business management skills, methods of book-keeping, and entrepreneurship creativity. Part of the training also involves visits to businesses and offering practical on-the-job tips. The Volunteer Services Overseas (VSO/Kenya) is another NGO involved in the training of small scale businessmen. The organisation sends established businessmen, usually from Europe, to the small business areas to be attached to a group of businesses for two years. During this time, the entrepreneurs are given practical tips on financial management, business organisation, marketing, sales promotion, and quality finishing. In addition, the volunteer businessman also trains the provincial technical training officers in the same skills so that they can continue the training when the volunteer leaves.

The UNDP also runs a training and demonstration programme for small scale enterprise owners. The project aims at enhancing the technical capabilities of such through demonstration or in raw material utilisation, improving simple product design and specification, quality control, production technology and allied fabrication aspects. It also helps the entrepreneurs market their goods within and outside the country.

Improve Your Business (IYB/Kenya) is another NGO which provides training to managers and owners of small scale enterprises. It has developed simple training materials for different levels of owners and managers of small and micro-enterprises. So far, one hundred and sixty residential seminars have been held by the organisation for entrepreneurs, training over five thousand people.

The NCCK, Kenya's largest NGO, also provides training to people involved in small scale businesses. Through the Christian Industrial Training Centres (CITCs), the NCCK provides training facilities to small scale businessmen and also provides them with advice on practical business problems.

Table 3. **Job training source (in percentage) among urban workers, by employment status and sex**

SOURCE OF TRAINING	EMPLOYMENT STATUS			
	PAID EMPLOYMENT		SELF-EMPLOYED	
PRIVATE SOURCES	MALES	FEMALES	MALES	FEMALES
None	61.6	74.0	54.5	74.7
Friend/relative	4.5	0.7	27.3	21.8
Apprentice	1.6	0.0	3.3	0.5
By employer:				
(a) on-the-job	15.2	6.7	4.8	0.7
(b) courses	7.9	3.3	1.7	0.6
Colleges/Schools	9.3	15.2	8.4	1.7
TOTAL	100.0	100.0	100.0	100.0
B. PUBLIC TRAINING None	66.6	65.6	86.4	94.1
Vocational schools	3.2	0.9	1.9	4.3
Village Polytechnic	2.0	0.7	2.5	0.5
Institute of technology	2.4	0.4	1.1	0.1
National youth service	0.7	0.4	0.0	0.0
Polytechnic	3.8	2.6	0.6	0.6
College	15.0	23.6	1.0	0.3
University	6.3	5.7	6.5	0.2
TOTAL	100.0	100.0	100.0	100.0

Source: House, J.W. Gerrison Ikiara and McCormick Dorothy, (1990), Table 8, p 17.

The UNDP also runs a training and demonstration programme for small scale enterprise owners. The project aims at enhancing the technical capabilities of such through demonstration or in raw material utilisation, improving simple product design and specification, quality control, production technology and allied fabrication aspects. It also helps the entrepreneurs market their goods within and outside the country.

Improve Your Business (IYB/Kenya) is another NGO which provides training to managers and owners of small scale enterprises. It has developed simple training materials for different levels of owners and managers of small and micro-enterprises. So far, one hundred and sixty residential seminars have been held by the organisation for entrepreneurs, training over five thousand people.

The NCCK, Kenya's largest NGO, also provides training to people involved in small scale businesses. Through the Christian Industrial Training Centres (CITCs), the NCCK provides training facilities to small scale businessmen and also provides them with advice on practical business problems.

Much of the training going on in the informal sector is, however, through the apprenticeship system. In this system, an apprentice gets attached to an established businessman and gets on-the-job training in exchange for his free labour or a small fee. (The kinship or social network system plays a big role in access to this type of training). After acquiring sufficient skills, the apprentice leaves and starts his own business. The duration of the course is normally the time taken to learn a particular business skill. The manufacturing subsector of the informal sector in Kenya is expanding very rapidly, and it is in this sector that many Kenyan youth are receiving practical training in short term informal apprenticeship (Williams, 1980).

Practical training in small workshops for unskilled and inexperienced job seekers offers many attractions. This training is more generally available and costs less than enrolment in formal technical courses. King (1975a) noted that apprentices in the informal sector paid between five and fifty sterling pounds for a complete `course' of on-the-job instruction, and some apprentices even earned some wages. Apprenticeship systems are generally more cost-efficient than public or privately sponsored technical training courses. The system, notes Williams (1980), is also sensitive to the extracurricular obligations of the trainees and provides experiences under conditions of production which are reasonable models of what the trainee may expect when he sets up his own business.

Informal training (apprenticeship) has become important because it provides low-cost rapid skills access and broadens the economic base of the trainees. The system is autonomous, decentralised and cost-efficient, and its form or organisation is more attuned to the needs and obligations of its clients. Persons having skills from the informal sector have been shown to be capable of becoming self-employed, which in some cases generates income equal to or even higher than modern sector wages.

Yambo's (1991) study gives a sense of the magnitude of the training that occurs in the informal sector itself. Based on a sample of eight hundred and eighty eight jua kali operations countrywide, Yambo found that, in the year ending in June 1990 alone, the informal enterprises 'enrolled' a total of 79,260 apprentices. The total enrolment of students in the NYS, YPs, HITs and TTIs for the same year was just 55,200 trainees or forty one per cent of the total number of trainees enrolled in 1990 (Yambo, 1991, as cited in Ndegwa, 1991:166). This led Yambo (1991) to reach the following conclusion:

> ....While it may not be possible to prove that the training that is offered in the informal sector is invariably superior to that offered in formal institutions, there is already evidence to show, albeit tentatively, that Kenya's informal sector does indeed provide more technical training opportunities in any given year than all the Youth Polytechnics, Institutes of Technology, Technical Training Institutes, National Polytechnics, and Universities put together (p 9).

This is impressive, but one problem with apprenticeships at present is that they are unregulated, and there are no criteria by which the quality of training can be assessed. As argued by Williams (1980), we need some system of monitoring or certification of training to protect the interests of trainees. There is also a need to update knowledge of how the apprenticeship system in Kenya operates. Terms and methods of instruction should also be studied to determine whether the trend towards shorter courses has continued or whether methods of instruction have stabilised.

Generally, training programmes within the informal sector have some constraints. Marris and Somerset (1971) argue that a training programme or an advisory service would have to call upon a wide range of experience and skills, and apply them to the particular problems which every business presents. Even if it could recruit staff versatile enough to give useful advice to many of its clients, such a service would be expensive. Most interventionist training programmes therefore just identify needs which businesses share and organise courses to meet them. Some training programmes, however, help individuals to identify and reinforce personality characteristics and behaviour conducive to business success, and effective risk taking in business (Lindsay, 1986).

In general, there is also a need to expand adult skill and literacy campaigns, especially aimed at women in rural technology programmes and projects. Kasina (1987) advances this argument by suggesting that training of owners and managers of small scale enterprises should be mainly on intermediate and adaptive technology.

3. EDUCATION AND TRAINING PROJECTS FOR THE INFORMAL SECTOR

3.1 General comments

According to a study recently published by the Kenya Rural Enterprise Programme (K-REP) (1993a), there are one hundred and thirty-one such projects and programmes. Out of these, seventy are involved in credit and finance, twenty-nine in education, training and entrepreneurship, four in handicraft, eight in institutions and institutional issues, ten in information and technology, three in infrastructure development and seven in policy issues.

Another parallel study also published by K-REP (1993b) indicates that the twenty-nine projects and programmes involved in education, training and entrepreneurship are institutionally distributed as follows: four are government institutions and parastatals, four are managed by private sector organisations, twenty by NGOs, and one by a donor organisation. Some of these organisations engage in research, develop technologies and then endeavour to offer training for interested informal sector entrepreneurs at a fee. There are also others that co-operate with the government in identifying informal sector needs and soliciting volunteer trainees. Some of these organisations use government training institutions to train jua kali operators, while others have demonstration centres and other learning resource centres where they invite or sponsor trainees to come and learn.

We look at five projects that are involved in training in this chapter. The information presented here was obtained from key persons from the projects based on their own self-description through an open-ended questionnaire. The questionnaire asked about the activities and strategies of the projects, sources and amounts of support per year, the number of clients trained each year, and the number of these clients who have started businesses of their own. The instrument also collected data on the constraints facing these projects and the strategies used by them to deal with these constraints.

These projects were picked randomly from the list of twenty-nine projects and programmes involved in education, training and entrepreneurship already identified by K-REP. The five projects were among a list of ten projects based in Nairobi. They are the only ones which responded to our request for interviews. Other projects based outside Nairobi were excluded from the survey because of costs.

Most of these projects are not frequently monitored or their impact evaluated. We were thus unable to obtain most of the data required to evaluate their performance and impact. The information presented in this chapter is therefore based largely on their own account of activities and achievements during the face-to-face interviews.

It was rewarding, though, to notice that the interviews made some of them begin to think of the need to regularly monitor and evaluate their programmes.

3.2 Appropriate Technology for Enterprise Creation (ApproTEC)

ApproTEC is a non-governmental organisation that was established in 1991. It designs, develops and promotes technologies for small scale enterprises. ApproTEC came into being after the Appropriate Technology Unit (ATU) of ACTIONAID-Kenya (AA-K) was closed. The senior members of ATU teamed up to establish ApproTEC as an independent NGO.

3.2.1 Activities and strategies

ApproTEC activities cover the following areas: economic feasibility studies, engineering design and development, training of equipment manufacturers, promotion and information dissemination, training of entrepreneurs and consulting for other organisations.

It identifies market opportunities for small scale industries and then carries out economic feasibility studies in order to establish the market demand, the availability of raw materials, and the profitability of goods to be produced by the small scale industries.

This not only enables it to give such advice to the target entrepreneurs, but also to devise appropriate technology for those small scale industries. ApproTEC develops appropriate technology by adapting an existing technology to meet local conditions or by designing a new one. ApproTEC then does a detailed engineering design work, builds prototypes, tests the technology and then produces jig or fixtures.

In order to make sure that the designed machinery is available on the open market, and that it is manufactured to the standards required, ApproTEC looks for suitable and interested manufacturers. These manufacturers are trained on how to make the newly designed machinery at a cost.

By participating in agricultural shows, liaising with NGOs, publishing fact sheets, and organising seminars, ApproTEC promotes the new technology. It runs promotional programmes to inform possible entrepreneurs about the new technologies and to notify consumers about the new products.

ApproTEC then trains entrepreneurs, their employees and anybody else who may have invested in the equipment on how to establish viable small businesses using the new technology. The adopters of new technology are taught all aspects of the use and maintenance of the equipment. The entrepreneurs are also taught the basics of costing and marketing of the new products.

Finally, ApproTEC runs technology training programmes for other NGOs. It trains the staff of NGOs and other groups supported by NGOs. This helps to promote their technology and also to raise extra funds.

3.2.2 Support

ApproTEC receives about half a million sterling pounds from the Overseas Development Administration (ODA) every four years. It also receives funds from private British foundations totalling twenty thousand sterling pounds every year. It also makes about eight million Kenya Shillings from consultancy and training. In the past year, ApproTech has raised additional funds by implementing a large sanitation programme for the UNHCR in refugee camps in North-Eastern Kenya.

3.2.3 Achievements

ApproTEC, being a relatively new programme, is yet to evaluate the adoption rate of its appropriate technologies. It has trained over five hundred trainees but it has not yet established how many of them are still in business. ApproTEC deals with entrepreneurs who have had some working experience and who are able to raise between twenty thousand to a hundred thousand Shillings. It prefers retired civil servants or people who have been running their own business for some time. It therefor expects that most of the trainees have started or will start their own small businesses, or are now maintaining their old businesses more profitably.

3.2.4 Constraints

ApproTEC's major problem is to convince donors that there is a definite need and that it is fulfilling this need. It provides much needed skills for entrepreneurs in the informal sector, which should prove to its donors that there is a need for its continued existence. Its argument is that because of its continuous research, promotional campaigns and lobbying of government for a change to restrictive laws, its continued existence means the maintenance of small businesses in the informal sector. ApproTEC can invest in research, technology development and promotional campaigns that other small businesses may not be able to invest in.

The second problem faced by ApproTEC is one of identifying machine manufacturers. It observes that it is not always easy to find indigenous Kenyans, operating middle level manufacturing businesses, who are ready and able to invest in the new technology.

Thirdly, ApproTEC has yet to establish a monitoring and evaluation system to determine its effectiveness. However, it has recently sent about one hundred questionnaires to some of its past students to find out about the adoption rates of its technology. Unfortunately, only forty-eight of these have confirmed that they are in business.

3.2.5 Assessment

The strength of ApproTEC is that it is a results-oriented project. It is bound to be successful because it only involves itself in projects that it considers viable and which it has established as so through research. It identifies the commodity to be produced, the technology to be used, and exercises control over who produces the commodity. ApproTEC therefore only gets involved when it is sure of positive results. It deals with a mature group, a group that has money to risk and therefore is bound to take their enterprises seriously.

ApproTEC however only deals with technology that it can itself develop. Therefore, if a technology cannot be produced by ApproTEC, though their research may have shown it as needed, it is deemed inappropriate and is shelved. ApproTEC also does not deal with school leavers, who comprise the bulk of the unemployed.

3.3 Voluntary Services Overseas (VSO/Kenya)

Although VSO was established in 1963, its involvement in training for the informal sector is relatively new. Its training for the informal sector section has only ten volunteers as compared to other sectors like formal education which has forty-five volunteers. Its support for the informal sector is experimental, and it is being constantly reviewed. However, VSO has a firm conviction that there is a need for training in business and technical skills in the informal sector.

3.3.1 Activities and strategies

VSO is involved in training, technology transfer, costing, pricing and market research. It carries out these activities through volunteers well versed in those fields. The volunteers are attached to a group of small business entrepreneurs. They assist them in developing appropriate technology, calculating production costs for their products, setting competitive prices for the finished products and identifying market for them. Some of these volunteers are posted to youth polytechnics and training institutions, where they are involved in training the youth in a technology that has been identified as being in demand in the informal sector.

They have two programmes already going on. These are the Meru Handtool Programme situated at Kianjai in Meru and the Youth Training Support Programme with sites in Kisumu, Kakamega, Meru, and Machakos. VSO also co-operates with the government in identifying needs and looking for volunteers, and then posting them to the needy areas.

3.3.2 Funding sources

VSO is supported by ODA and private individuals in the UK. The support is in the form of personnel who are the volunteers.

3.3.3 Achievements

Since the programme began, approximately 4,080 trainees have been trained. It is estimated that all of them are in business, since they were already in business before their encounter with VSO.

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3.3.4 Current constraints

The main constraint was identified as finance. VSO has yet to find alternative local funding strategies. Another constraint is communication problems. Since the volunteers are largely non-Kenyans, they are faced with communication problems due to language difficulties. It is hoped that this problem will be overcome because the VSO trainers train Kenyans, who can continue teaching other Kenyans.

3.3.5 Assessment

VSO has a high possibility of success because it deals with people who are already in business. This means that they are more likely to make use of their new skills in their businesses as opposed to beginners who may be hampered by problems of initial capital for establishing a business. VSO also liaises with the government in identifying needs and therefore it only acts in response to a need. The government representatives can maintain a follow-up long after the volunteers leave. Although approximately 4,080 entrepreneurs have been trained by VSO volunteers, detailed data is yet to be compiled on how each of these entrepreneurs is faring in business. It has not been established how many of their trainees have improved their businesses as a result of training from VSO.

3.4 Assistance in Technical and Entrepreneurship Skills for Jua Kali Women

This project was launched in 1991. It was formed especially to assist women small business entrepreneurs involved in the textile industry. The aim has been to equip women with appropriate technology, management and marketing skills. This programme deals with women who are already in textiles and fabric businesses.

3.4.1 Activities and strategies

UNDP is involved in entrepreneurship development programmes, Kenya Youth Polytechnics and the Kenya Women Finance. It has facilitated acquisition of loans for small enterprises and payment of staff and personnel in training institutions. UNDP acts as a guarantor for small scale entrepreneurs so that they are able to get loans from banks. Barclays Bank is one such bank. UNDP holds seminars and workshops aimed at sensitising banks to the need to offer loans to small business entrepreneurs.

Through the ILO, UNIDO, FAO, World Bank and other UN agencies, UNDP offers funds and technical help to training institutions. It believes in the need to develop human resources. The project gives women (jua kali) money with which to buy tools. They are also given compensation to encourage them to go for training. They are given a voucher of Kshs. 3,000 with which they can buy goods from the project's demonstration centre during the training. This encourages many entrepreneurs to come for training.

The project runs training and export promotion programmes to cater for the African market. The target group is jua kali women involved in the textile industry. Some of the areas covered include: designing, dyeing and weaving, printing, machinery repair, construction, marketing and how to maintain a business. The training takes about three days, two of which are used in follow up. One other way in which training is offered by the project is through organising for the small business entrepreneurs to attend trade fairs. While at such trade fairs, the entrepreneurs not only learn new trade and technical skills, but they also get a chance to market their products. The project also runs demonstration and training programmes for the jua kali sector. It has national co-ordinating officials, and has also employed experts in textile, dying, printing and machinery repair, who actually conduct the training of the entrepreneurs.

The Ministry of Research, Technical Training and Technology has set aside about Kshs. 600,000 per year for this project. It also makes its workshops and other resources available to be used by the project. The project has been allowed the full use of the Kenya Textile Training Institute and the resources at the Centre of Research and Technology (CRT) at Karen, Nairobi. This project therefore has the backing and co-operation of the government of Kenya. SIDA also gives Kshs. 2,000,000 per year towards this project.

3.4.2 Achievements

Since inception, the project has trained 175 small business entrepreneurs. All of them were already in business before the training. In 1992 alone, the project trained 91 people. The project has managed to export goods outside Kenya, especially to PTA countries.

3.4.3 Current constraints

It has been established that the women small business entrepreneurs lack management skills. They do not know how to keep proper accounts. The project has responded to this by offering training in business management, accounts and bookkeeping. The women also have a problem of securing loans from banks. The project has responded to this problem too by teaching them how to come up with good business plans that can be used for accessing credit from banks, and also by convincing the banks that by giving credit to these people, they are giving them an incentive for managing these projects. Initially, UNDP had proposed funding this project for a period of 2 years, after which they would withdraw and then it would continue on its own. But the process of securing loans from the banks had a slow take off. The programmes were therefore extended by another year. In the beginning, there was government suspicion. The project organisers had to exercise patience and engage in awareness campaigns on the need to train women entrepreneurs. They eventually secured acceptance. Sometimes there has been political interference on projects. The organisers have had to be firm in their decisions.

The banks have also had a negative attitude towards funding small enterprise programmes. The project therefore has embarked on an awareness campaign. The aim is to convince the banks that investing in small enterprise programmes will create employment.

Market fluctuations have been another problem. This has been due to changes in seasons and the attendant needs that arise with them, eg. the demand for uniforms normally increases during the school season, especially in January. And during the Christmas season, fancy clothes are in high demand. The entrepreneurs are therefore encouraged to diversify their products with the changing times. They can therefore sell a diversity of products such as uniforms, bags, belts, keyholders, table mats, aprons and others. The strategy is to add more products to the basic ones.

It is envisioned that at some time the donors will pull out. The project co-operates with the Ministry of Research, Technical Training and Technology and trains Kenya Technical Training Institute (KTTI) trainers so that these will continue offering training even after the donors pull out. The participants in the training programmes are also encouraged to go out and train others on a cost recovery basis.

In response to financial problems, the project has established a retail shop in Muthaiga, Nairobi. This is in a bid to raise capital to help in training. Plans are under way to help the women form an association which can assist them in purchasing materials from factories. In this way, the project hopes to sustain itself even after the donors have withdrawn.

3.4.4 Assessment

This is a promising project. If the tempo is maintained, the direct beneficiaries of the programme may graduate into the formal private sector. This would add to the economic growth and formal tax revenue of the country in a significant manner. That is the expressed hope of the project.

3.5 Entrepreneurship Education Programme (EEP)

This project began in 1990. It is supported by the ILO and the University of Illinois, but is being implemented by the Ministry of Research, Technical Training and Technology. The objective of the project is to introduce entrepreneurship skills to all students enrolled in the Ministry's technical training institutes.

3.5.1 Activities and strategies

The Entrepreneurship Education Programme (EEP) has many activities. It is involved in developing the curriculum and teaching materials, conducting training of trainers in entrepreneurship education institutions, conducting awareness forums for policy makers, conducting research in entrepreneurship education, conducting post-graduate entrepreneurship education programmes, establishing small business centres in Technical Training Institutes, and backing the Ministry in implementing EEPs.

EEP invites trainers, resource persons and organisations to contribute ideas for the development of the curriculum and teaching materials. It holds seminars, workshops, attachments, research, outreach and exposure forums for the purposes of enhancing the training of trainers course.

Through seminars, workshops and exposure forums, EEP creates awareness for policy makers. It carries out research to establish priority needs in Entrepreneurship Education (EE).

Masters students are engaged in research on key issues and in the evaluation or review of previous studies.
There are also students undergoing postgraduate studies (MEd) in Entrepreneurship Education at Jomo Kenyatta University College. At present, there are forty students who have completed their Masters while eight are doing PhD degree courses.

EEP collaborates with the University of Illinois to offer postgraduate education in EE. Local universities are also being incorporated into the system in an attempt to institutionalise EE. EEP is also involved in providing small business centres with basic equipment. Their efforts to back the Ministry in implementing EE policies is done through establishing an Entrepreneurship Development Unit at the Ministry of Research, Technical Training and Technology, aimed at focusing on EE.

3.5.2 Funding source

The EEP is supported through government and donor funds. This is given in the form of personnel and operations. Donors contribute about US$300,000 per year.

3.5.3 Achievements

EEP has reached forty thousand persons since inception. In 1992, it reached twenty thousand. However, since the first graduation will be in 1993, none of the trainees is yet in business.

3.5.4 Constraints

EE, being a new phenomenon in Kenya, was at first looked at with general scepticism. People did not believe in the concept of entrepreneurship education, nor in the possibility of its success. EEP has therefore embarked on an intensive awareness and exposure campaign to improve its image.

In trying to assess the performance of EE, results have been expected too soon. The EEP tries to show that the implementation of EE is gradual, and that the results will also be gradual.

The EEP attempts to solve its financial constraints through cost-sharing of training programmes, encouraging small business centres to look for alternative sources of funds and lobbying for increased government contributions.

3.5.5 Assessment

There is general optimism and good will for the programme. It however needs constant support and patience from various quarters. Since this is a relatively institutionalised programme, and bearing in mind the large bulk of trainees, it will be interesting to see how the follow up will be conducted. If successful, this might have the greatest influence on the Kenyan informal sector.

3.6 Redeemed Gospel Church Inc.

The Redeemed Gospel Youth Polytechnic offers training to school leavers in the following fields: tailoring, carpentry, welding, leatherwork, and secretarial studies. It employs teachers to teach school drop outs. It also runs its own workshops in which the trainees can learn and practise their skills.

3.6.1 Funding source

The project is self-supporting. It raises funds by charging its trainees a fee of Kshs. 500 per month. Initially, the project was supported by World Vision International which contributed about Kshs. 240,000 per year. They phased out the project after 8 years according to their policy of supporting projects for only a limited period of time.

3.6.2 Achievement

The project has trained one hundred and twenty trainees each year since 1983. Sadly, despite the programme's long existence, it has not established how many of its trainees are in business. There has been little or no follow up done. The only attempt at follow up has emerged when there is a need to write papers for seminars and other forums.

This, then, is one long-term programme which has been unable to evaluate or assess its achievements. A lot more than just occasional, half-hearted attempts at evaluation is needed if the programme is to realise its initial objectives.

The project helps trainees from very poor families who cannot raise the five hundred Shillings a month. The Redeemed Gospel Church Inc., in an attempt to keep the project running, picks 20 of the poorest students each year and sponsors them. The project organisers also occasionally lobby for funds from donor agencies and sympathetic individuals or private organisations. They have also been repairing furniture for schools at a fee. Supplying uniforms to school children has been their other way of raising funds.

3.6.3 Assessment

The project deals with the youth aged 16-20 years. This group forms the bulk of the unemployed. It also constitutes a large percentage of the consuming - and non-productive - citizens. Their training for self-employment is therefore very important.

The Redeemed Gospel Inc. also offers tools to their best students in each of the disciplines. It is therefore rather discouraging that little is known about their trainees after leaving their training institution. It is especially worrying since the project deals with children from some of the poorest families in Kenya who are unlikely to secure salaried employment. Such students have neither education, nor rich relatives through whom they can secure jobs. Many of them have either to join the informal sector or perish. The organisation should therefore make every effort to ensure that these trainees manage to engage in meaningful employment or business entrepreneurship.

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3.7 Concluding Remarks

In general, it must be noted here that the above assessment of these projects is based on information supplied by the organisations themselves. It is obvious that these may not be objective, and may even represent an attempt to portray themselves positively to the outsider. The last project, the Redeemer Gospel Church, seems an outright failure. It is hard to believe that the project has not had any in-house evaluation ten years after its inception. The few assessments that it undertakes are basically for the consumption of the donors and other reporting agencies. It is the case, therefore, that the said evaluations are really estimates, and not actual evaluations.

4. LESSONS LEARNED AND ALTERNATIVE STRATEGY

4.1 Introduction

From a humble recognition in 1972, the informal sector is now in the spotlight as the only part of the Kenyan economy which is growing. Employment in the jua kali sector has grown at fourteen per cent per year since 1983. This is more than three times the rate at which the modern wage sector has created employment. Its share in the employment has consequently increased from three percent in the early 70s to a third by the end of 1992 (Economic Survey, 1993).

It is now being realised that even more employment in the jua kali sector is possible if only a number of constraints currently facing such enterprises could be removed. Three of the major constraints identified by most studies investigating the sector include lack of adequate technical and managerial skills, lack of access to credit, and the indifferent and sometimes hostile attitude of the government towards the sector.

This study has reviewed strategies that individuals, the government, and non-profit seeking institutions are using to improve or increase the technical and management skills of jua kali operators. A recent survey gives the number of persons trained in the jua kali sector by about fifty organisations in Kenya over the years (Aleke-Dondo, 1993) as 40,759. Another 24,280 have received credit amounting to KSh. 115,776.55 million.

4.2 Sources of education and training for the informal sector

Skills for self-employment in the informal sector are being provided through nine different types of agencies or processes. Six of these are controlled or influenced by government policies in one way or another. This study has identified attempts by the government to provide skills for self-employment in the informal sector through the formal education and training system, including the 8:4:4 system of education, Youth Polytechnics, Harambee Institutes of Technology, the National Youth Service and Technical Training Institutes.

Of the nine processes, the two which are based on the initiatives of jua kali operators themselves, either through change of occupation from wage employment to self-employment or apprenticeship, are the most popular, and apparently most successful. A significant contribution to skills transfer to the informal sector is also being made by non-profit seeking development institutions through special training programmes. The number of people that can be reached by these training projects are, however, limited due to the cost per contact.

The experience with each skills and training strategy in Kenya is summarised in detail in the following paragraphs.

4.2.1 The Education System

As early as 1965 (hardly two years after independence) the imbalance between the demand and supply of education, on the one hand, and the demand and supply of manpower, on the other, was evident. This imbalance has worsened over the years despite several attempts to deal with it through educational planning and change. Most recently, the manpower survey (1987:123) estimates the annual increase in manpower supply at 0.5 million per year. This is many times more than the total 0.6 million jobs that are expected to be created up to the year 2000.

There have been six major reviews of educational policy in Kenya since independence, starting with the Ominde Commission of 1963 and ending with the most recent (by Ndegwa, 1990). The objectives of nearly all these commissions have been to suggest alternative models of education and training which could make education cost-effective and more relevant to the needs of the economy.

Recent changes in the education system evidenced by the introduction of 8:4:4 in 1984 underscores the failure of previous strategies to make education relevant. The quality of an education system depends on the relevance of the process and content learned by students, including its costs. It also depends on the skills that students acquire. Lastly, the quality of education depends on the attitudes of the learners during and after they graduate.

Education is relevant if the knowledge acquired by students can enable them to adjust and exploit their talents and environment in a sustainable manner. The objective of the 8:4:4 system of education was to make it more relevant to the students, society, and the economy. The specific objectives of the new system were to influence the attitudes of students towards self-employment and strengthen the link between practical subjects and self-employment. The Mackay Report (1989), which advocated the new system, recommended the teaching of practical skills to primary school pupils so as to facilitate their direct employment in the informal sector. There were changes in structure, content (syllabus) and learning time to implement the new learning strategy. The new system emphasises the teaching of woodwork, metalwork, leatherwork, tailoring, and business education. Other subjects taught at the primary level include arts, agriculture and home science.

Despite good intentions, the 8:4:4 is likely to fail to achieve its objectives. While the structure and content of the curriculum has been changed to emphasise the learning of practical skills, the strategy is unfortunately based on an inadequate assessment of resources and other important aspects of education such as the ability of the students to learn certain concepts and skills at certain ages or times. The current system was introduced in the absence of teachers with experience and skills in teaching the newly introduced practical skills. The government also ignored or underestimated the cost of financing the teaching of practical subjects in schools. While the learning content was indeed made practical in the 8:4:4 system, many schools lacked the workshops and equipment which are basic to a skills-based education (Shiundu, 1991). Introduction of new concepts in public finance, such as cost-sharing, have failed to produce the level of support expected from parents to build the said workshops and buy equipment, mainly because the new system was imposed on them by the government.

The system has also failed because of the method of assessment of learning. Little weight has been placed on passing the technical subjects in the school examinations. The examinations are still oriented towards theory.

Lack of trained teachers and relevant teaching materials are further responsible for undermining the impact of the 8:4:4 system of education. Recently, there is also a general feeling that even the students who proceed to the university are unprepared for further education because of inadequate learning at the primary and secondary levels of education.

In conclusion, the 8:4:4 education system will not provide training for self-employment among school-leavers. Two comments by House, Ikiara, and McCormick (1990) summarise the impact of the 8:4:4 system on the imbalance between the supply and demand for manpower in Kenya. The first of these says that:

> ...the most notable characteristic of the self-employed is the virtual absence of public sources of training (p 41).

The second of these has the following words:

> ...Evidence from the urban labour force survey, 1988, p.62 shows that unemployment is highest among the most recent school leavers falling within the 20-29 years age group.

It is unlikely that the education system will provide directly employable skills to the students, unless a new approach to teaching is adopted.

4.2.2 Post-School Training Opportunities

The supply of post-education training opportunities for self-employment is dominated by government agencies. As observed by Sifuna (1975), the objective of non-formal education has been to complete the 'unfinished business of primary schools'. Post-education training opportunities in Kenya have focused on youths who have completed primary or secondary education, but who either dropped out of school or lacked the skills to become self-employed or employable.

There have been four different post-education training programmes which focus on skills for self-employment. These include the Youth Polytechnics (introduced by the NCCK in 1968, and later supported by the government), the National Youth Service (established by the government in 1964), the Harambee Institutes of Technology (initiated by politicians through tribal-based organisations), and Technical Training Institutes (converted from former Technical Schools in 1986). The impact of these post-school training programmes was demonstrated in Table 3.

The table showed that, among the self-employed workers, vocational schools were the second most important source of skills (about two percent of male workers and four percent of female workers) after an assortment of public colleges. The role of Youth Polytechnics in providing employable skills among the self-employed workers is also evident, with nearly three percent of male urban workers and about one percent of women having benefited from them. The contribution of vocational schools and Youth Polytechnics is perhaps even larger if we consider those in informal enterprises only. Table 3 shows that, among the paid employees, the two sectors provided skills to about three and two percent of male urban workers and about one percent each among female employees. The role of HITs is also significant, given that slightly more than two percent of urban male workers obtained their skills from this source, while about a half of the total percentage of women relied on the same source.

In general, evidence shows that the biggest constraint to the use of skills learned from these programmes is lack of start-up capital. The other major weakness of these post-education training opportunities is their failure to emphasise and integrate technical skills with business management or entrepreneurial skills. Even when the graduates of such programmes start their enterprises, performance is often undermined by lack of business skills.

The problem of graduates of these programmes is well summarised by Caplen (1981) where evidence shows that only a small proportion (about 22.5%) of graduates become self-employed, and an even smaller percentage of this number survive in business. He also gives evidence which shows that, among those who survive in business, the majority are unable to expand their business beyond a certain point due to lack of entrepreneurial skills. Many studies of skills training in the post-school programmes seem to agree that skill alone does not ensure employment. They also show that most graduates of post-school training opportunities tend to drift from rural to urban areas in search of jobs in the modern wage sector, rather than self-employment opportunities in rural areas. Two factors are associated with this trend. Even among the YPs, which are arguably the most relevant for rural economies, the policy of certification encouraged by the government among these programmes has influenced students' attitudes towards the modern wage sector.

4.2.3 On-the-Job Experience and Apprenticeship

The evidence reviewed in this study shows that apprenticeship is the largest sources of skills training for the informal sector. Yambo (1992), for example, estimates from a sample of 888 jua kali enterprises countrywide that in the year ending June 1990 informal enterprises enrolled a total of 79,260 apprentices. This was almost fifty-nine percent of the total trainees learning skills in that year. King (1975a) explains the popularity of this method of learning skills on the basis of its cost-effectiveness. He notes that 'apprentices in the informal sector paid between five to fifty pounds sterling for a complete course based on on-the-job instruction, and some even earned some wages'. Williams (1980) on the other hand argues that the system has been popular because it is sensitive to the extra-curricula obligations of the trainees and that it provides experience under conditions of production, which are reasonable models of what the trainee may expect when he starts his business.

However, all studies seem to agree that the quality of skills and experience from on-the-job or apprenticeship training varies from one student to another, depending on who provides the learning environment.

4.3 An alternative strategy

This study has revealed the long-term effects of educational policies. It has taken so long to reverse the attitude of Kenyans formed soon after independence in 1963 towards the teaching and learning of vocational skills.

This study has further demonstrated the critical role that goodwill amongst parents, teachers, and pupils can play in making changes in existing educational systems. It has shown, for example, that unless these stakeholders are involved and prepared to accept and support new changes in education, there cannot be any progress.

Lastly, this study has indicated that availability of resources to implement changes in education should be evaluated and the objectives of the proposed system, however good, reconciled with this.

The following specific recommendations are based on the above observations, with a view to offering an alternative strategy to the existing formal educational system.

4.3.1 Recommended curriculum review

It is recommended that the primary school curriculum be reformed from a broad-based system to a focused integrated curriculum where the teaching of directly relevant skills and knowledge is central. The only academic subjects to be taught during the first four years of school should include maths, reading, writing and communication skills in English and Kiswahili. Emphasis should be based on the teaching of environmental science, cultural and moral values, certain aspects of social and political organisation at the village level, and the character of the local economy.

During the second phase of primary school education, extending from class five to eight, learners should be taught basic skills in business management and various aspects of production, such as carpentry, masonry, farming, tailoring/dressmaking, simple civil engineering, etc. as the core subjects. In addition to these, further development of ideas learned during the first phase regarding the environment and local resources, including social organisations and values, should continue. The knowledge links which can be made in the second phase include the connection between the environment, primary health care, and food production and how these are affected by existing social structures and values. The students should, in this second phase, be introduced to the links and relationships between their local community and others in the country.

The teaching of maths and some aspects of physical and biological sciences, such as gravity, social erosion, the connection between sunlight, plants, and soil formation, should be integrated. Mathematics should be taught in the context of actual work experience. For instance, in tailoring and dressmaking, students should learn about maths through measurements and calculation of how much material is required, and this could further be integrated in teaching business management skills by showing the students how to do costing and the implications of the process for their ability to survive in business. Furthermore, the opportunity to teach communication skills should be exploited to teach the role of marketing in business management in the same lesson.

All evaluation and monitoring of learning should be skills-based rather than knowledge-based. The ability of students to do proper costing and do maths can, for example, be evaluated through case studies. This can further be integrated by asking students to make a dress which is evaluated on the basis that it is bought by a customer in a distant town.

The school system should have two components after the primary cycle. Those students who wish to pursue further education can go to special schools, while those interested in pursuing skills training should do so through another component.

The vocational schools could be modelled on the existing YPs, HITs, or TTIs. The students following this line should learn for four years, depending on the courses they select. The curriculum should include all areas of occupations which offer employment opportunities in the economy. The government should subsidise the skills-based education component. Those students wishing to pursue knowledge-based education should go to schools modelled on existing secondary schools. This component should have six years of education, sequenced in two phases: lower secondary (four years) and upper secondary (two years). The government should not subsidise this form of education.

The proposed system of education is portrayed graphically in the diagram overleaf.

4.3.2 Review of implementation design

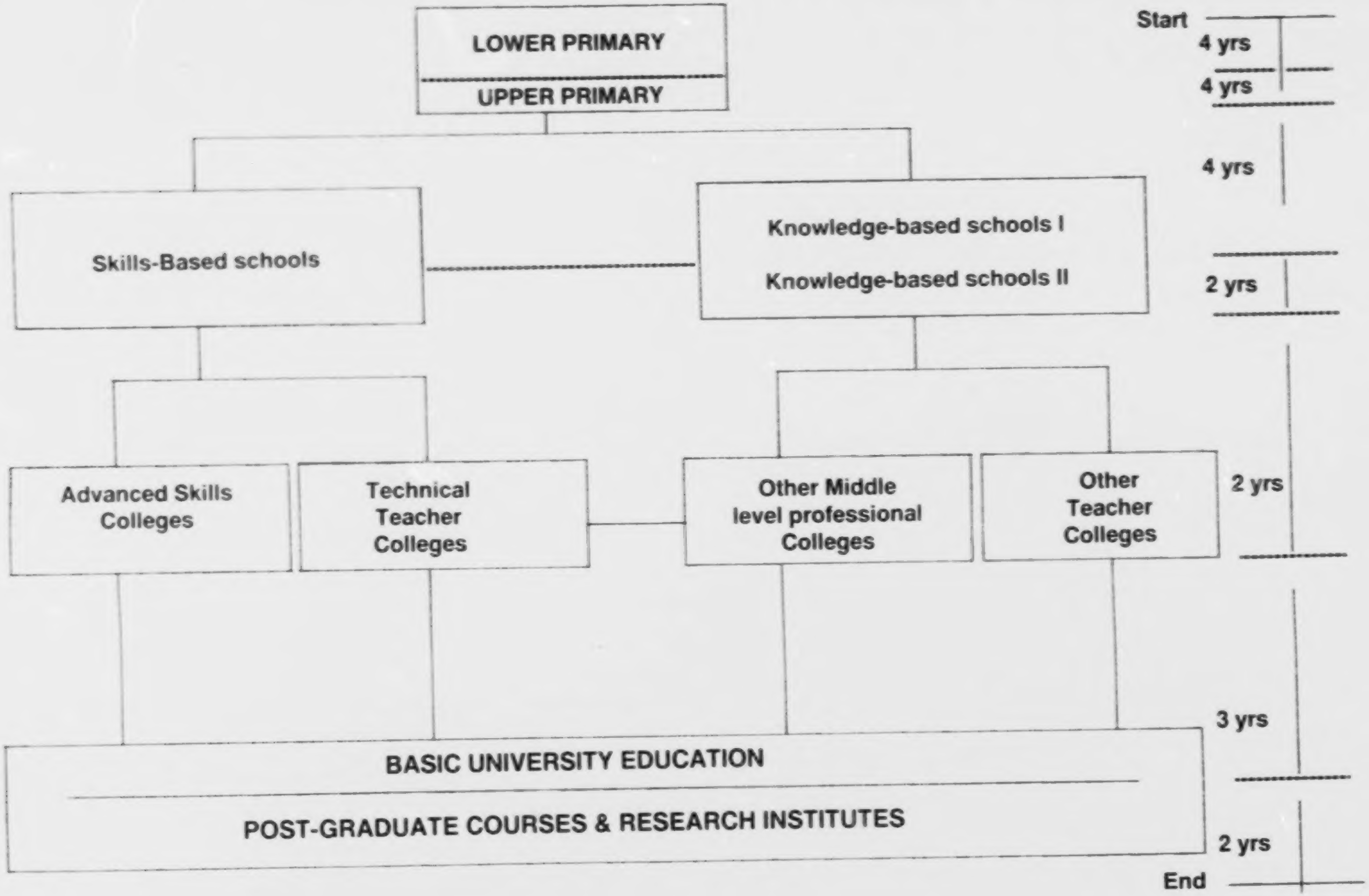
It is recommended that the government involve the community as much as possible in initiating the proposed changes in education. Both should work together through district-based education reform committees composed of elected parents, teachers, community leaders and education officers. The major objectives of the reform committee would be to assess education resources within the district and then prepare a schedule of what is adequate, what is missing, and what is desired. Some of the issues to be discussed by the reform committee should include the following:

- Teacher-pupil ratio

- Experience and skills of existing teachers in the district

- Classroom-pupil ratio

PROPOSED STRUCTURE OF EDUCATION



LOWER PRIMARY

UPPER PRIMARY

Skills-Based schools

Knowledge-based schools I

Knowledge-based schools II

Advanced Skills Colleges

Technical Teacher Colleges

Other Middle level professional Colleges

Other Teacher Colleges

BASIC UNIVERSITY EDUCATION

POST-GRADUATE COURSES & RESEARCH INSTITUTES

- Distribution of schools within the district and average pupil walking distance
- Additional resources required and how they can be mobilised
- Content and process of learning, considering the suggestions made in 4.3.1 above.

Unlike in the past when many important details were assumed, it would be necessary to include in the new strategy a timetable of (1) developing and producing the teaching materials for teachers (2) developing and producing the teaching materials and processes for pupils (3) mobilising resources, and (4) constructing or re-allocating available classrooms and workshops among schools and communities in the villages before commencement of the new programme.

The most important stage in reforming the current educational system would be in involving and preparing all concerned (parents, pupils, teachers, government officers, employers, etc) in making and implementing the reforms. The biggest challenge, on the other hand, would be for the government to have the political will to respect the needs of the people. In the past, the government has killed all positive community initiatives in making social, political, and economic reforms, even those it has initiated itself. It seems, given the current political, social, and economic problems facing Kenya, that educational reforms would depend a great deal on how these other problems are resolved.

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Education and Training for the Informal Sector

INDIA

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ACRONYMS AND ABBREVIATIONS

AICP	All India Coordinated Projects
ASAG	Ahmedabad Study Action Group
AUPA	Ahmedabad Urban Development Authority
BMC	Bhal Mahila Committee
BSC	Behavioural Science Centre
DWCRA	Development of Women and Children in Rural Areas
HDFC	Housing Development Finance Corporation
KVIC	Khadi and Village Industries Commission
MLP	Micro Level Planning
NSSO	National Sample Survey Organisation
SEWA	Self-Employed Women's Association
SFT	Shroffs Foundation Trust
TBSU	Technical Backup Support Unit
TLA	Textile Labour Association

ACKNOWLEDGMENTS

This report, like most reports of its kind, is the result of the effort and contribution of a variety of people and agencies. While acknowledging our indebtedness to all who have helped in this project, we wish to name in particular the following :

- Professor Roy Carr Hill and Dr Fiona Leach of the Institute of Education of the University of London, and Professor Kenneth King and Simon McGrath of the Centre of African Studies of the University of Edinburgh, who invited us to participate in this project;

- The Overseas Development Administration (Education Division) of Her Majesty's Government of U.K., who sponsored the project and also very kindly funded our participation in the International Labour Organisation's Workshop on Training for Self-Employment through Vocational Training Institutes at Turin in November 1993;

- The management and staff of the Behavioural Science Centre, Utthan Mahiti, the Self-Employed Women's Association, and the Shroffs Foundation Trust, for their willingness to be the subjects of this study and for their generous support;

- The International Labour Organisation Training Centre in Turin for their invitation to participate as observers in the Workshop at Turin in November; and finally

- Mr. Manoj Kumar and Ms.Sarita D'Souza for their secretarial assistance in preparing the project report.

Keith C. D'Souza
Liza Thomas

I. INTRODUCTION

The objective of this study is to examine local and national interventions and initiatives in India relevant to the orientation and reorientation of education and training toward self-employment and income generation in four different settings: the regular school setting, the post-basic schooling and training institutions, the modern public and private sectors, and the informal sector.

The study is exploratory in nature. Data have been collected from secondary literature sources, personal interviews and observations, and case studies of select interventions. Given the limitations of time and other resources, the study has had to confine itself to a few significant interventions which could be considered indicative of the trends.

Through a qualitative and subjective analysis of the case studies assisted by the personal experiences of the researchers and information from the literature, the study is intended to derive lessons about how education and training can be geared to promote self-employment and income generation in the informal sector of the economy.

This Indian study examines what non-governmental organizations are doing in the direction of non-formal education and training. Four NGOs have been taken up for the study. All four are located primarily in the state of Gujarat which has one of the highest concentrations of NGOs among all the states of India. The four NGOs are: the Behavioural Science Centre (BSC), Utthan Mahiti, the Self-Employed Women's Association (SEWA), and the Shroffs Foundation Trust (SFT). Each of these was engaged in some form of activity to promote the economic and social development of marginal groups in rural and urban areas through education and training.

While the four NGOs studied do not, by any means, constitute an adequate sample from which to draw rigorous generalizations, they may be considered as representing a major part of the effort of NGOs to promote self-employment in the informal sector in India. Therefore, the inferences and lessons drawn from the study could be a basis for future policy making and intervention in the informal sector in India.

In this report, we first look briefly at the broad socio-economic context in which non-formal education and training for self-employment gain importance in India. We next briefly present case studies of four NGOs engaged in some form of non-formal education and training for self-employment. Finally, we try to derive some lessons and generalizations which may be of use to future planners and policy makers.

2. CONTEXTUAL BACKGROUND

Over the forty and more years of independence, India has made impressive strides in various fields. Once at the mercy of foreign aid to feed its people, it has now attained self-sufficiency in foodgrain production and other agricultural produce. Its rapid industrialization, with particular emphasis on basic and heavy industry, has enabled it to develop much of the infrastructure for industrial growth. Even on the social front, its society, once deeply fragmented on the lines of caste, religion and language differences, has been able to develop a working though tenuous fusion of various social segments. And most important of all, notwithstanding its many aberrations, India has been able to maintain a fairly robust and resilient democratic system of society. The UNDP has ranked India 42 out of 88 countries in terms of the `human freedom index' based on 40 different indicators of human freedom (UNDP, 1993). While this may not be much to boast about, it is not insignificant considering that on most of the UNDP's other socio-economic indices, India shares a place on the bottom rungs with other underdeveloped and - worse still - undemocratic societies.

Having looked at the brighter side, however, we must come to terms with the darker. More than 45 years of independence have not enabled India to mitigate some of its more chronic problems. Consider the following select statistics recently published by the Commonwealth Secretariat (1992):

Population (in 1989)	832, 535, 000
Proportion of population under 15 years of age	37%
Life expectancy	59 years
Infant mortality	96 per 1000
Daily calorie supply per capita	2104
Access to safe water rural	73%
urban	79%
GNP per capita (in 1989)	US $ 350
Average growth rate of GNP per year	3.2%
Male adult literacy	62%
Female adult literacy	34%

When compared to 130 other countries, India ranks second in terms of population size, 103 in terms of GNP, 81 in adult literacy, 95 in terms of infant mortality, 84 in terms of life expectancy. India's average annual rate of increase in real per capita GNP has been even lower than that of other developing countries (see Table 1)[1]. Yet there are paradoxes. India has one of the largest forces of trained and technically qualified manpower in the world. Welcome or not, its people participate in major industrial, scientific and other ventures in a large number of places around the world. Its people are found to learn and teach in almost every major university and institute across the globe. And despite the incredible social, cultural and political complexities which bedevil it, India still continues to function, even if sometimes in an anarchic manner.

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[1] All tables are located at the end of each chapter

2.1 The Approach to Development

Soon after independence, India launched into the Five Year Plan as a major strategy of socio-economic development. Planning was intended to ensure a balanced approach to development, blending economic improvement with socialistic ideals such as egalitarianism and social well-being. India is currently in the midst of its Eighth Five Year Plan. Among the objectives of the various plans, the prominent ones have been:

- Removal of poverty
- Improvement in standard of living
- Reduction in inequalities of income, wealth and opportunity
- Rapid industrialization with emphasis on basic and heavy industry
- Large expansion of employment opportunities
- Self-sufficiency in foodgrains
- Reforms in the education system to help growth of initiative and enterprise
- Attainment of universal elementary education
- Overall human development through emphasis on health, education, literacy, and basic needs, including drinking water, housing and welfare programmes for the weaker sections.

Admittedly, the translation of lofty slogans regarding the elimination of poverty and improvement in living standards into more concrete policies for action came rather late in the day as it became clear that the standard of living, employment opportunities, etc. could not improve merely by emphasizing industrial and agricultural production and productivity. It was only in the Sixth Five Year Plan (1980-81 to 1984-85) that explicit recognition was given to the importance of the rural and unorganized (informal) sector of the economy to national development. The emphasis on universal elementary education for all and access to health facilities came in the Seventh Plan (1985-86 to 1989-90). By the time the country reached the Eighth Plan, it had caught up with the more holistic concept of human development.

The Eighth Five-Year Plan recognises human development as the core of all developmental effort (Aggarwal, 1993). It is only healthy and educated people who can contribute to economic growth which in turn contributes to human well being. The priority sectors of the Plan that contribute towards the realization of this goal are health, education, literacy, and basic needs including drinking water, housing and welfare programmes for the weaker sections. The Eighth Plan also pays special attention to employment in the rural areas. Improvement in earning opportunities where people reside would reduce the need for migration to the urban areas. Such an expansion of employment opportunities calls for a shift in emphasis in rural development programmes from the creation of the relief-type of employment to the building up of durable productive assets in the rural areas. These assets can enhance productivity and create more job opportunities, leading to sustained development. Thus, we come to the very issues relevant to the topic of this project: employment, education and training.

2.2 Employment

Employment generation has been a recurring objective in all the Five Year Plans of India. The Eighth Plan continues to echo the concern about employment generation but with an even louder voice. Between 1972-73 and 1987-88, overall employment is estimated to have grown at around 2% per annum. Rural employment grew at the rate of 1.8% while in the urban sector it was at a much faster rate of 4% per annum. However, over the same period, the growth of the labour force outstripped that of employment, effectively reducing the advantages of employment generation (Economic Intelligence Service, 1990). (See Table 2).

In the agricultural sector, the increasing population and the trend towards urbanization brought down the share of agriculture in the economy. It became evident that the capacity of the agricultural sector to absorb additional labour was limited. The overall growth rate of employment in the agricultural sector, which was 2.32% per annum during 1972-73 and 1977-88, declined to less than 1% during 1982-83 and 1987-88. Due to the increasing pressure of the population, the average size of operational holding has come down to just 1.82 hectare in 1980-81 from 2.30 hectares in 1970-71 and the number of marginal holdings below one hectare has gone up from 35.68 million in 1970-71 to 50.52 million in 1980-81. The proportion of agricultural labour to land holding has been increasing rapidly (Aggarwal, 1993).

A troubling related trend has been the casualisation of labour - an increase in the proportion of casual labour, relative to self-employed and regular salaried workers over the period (see Table 2 at the end). Also, there has been a decline in the proportion of self-employed in rural areas. While the exact statistics do not appear to be of a high enough order to cause alarm, this is an issue which is likely to be of concern in a developing economy.

Some other relevant features of the employment picture are (Aggarwal, 1993) :

1. The unorganised (informal) sector embraces large parts of agriculture, small and household industry, trade professional services, and covers 90% of the total labour force in the country.

2. The growth rate of employment has been relatively high in urban areas, but low in rural areas (see Table 3).

3. Employment of males and females has grown more or less at the same rate, with the rate for males slightly above that for females. In the rural areas, female participation in the labour force is more than 60% whereas it is less than 30% in the urban areas.

4. While all other major sectors experienced over 3.0 percent growth of employment per annum over the period 1978-88 (Table 4), agriculture registered an annual growth of only 0.92 per cent. This rate has been just about the same in the last ten years.

5. In all sectors except agriculture, trade and construction, there has been a deceleration of growth during 1983 to 1987 when compared with the period 1979 - 1983. In

manufacturing, the rate of growth has declined sharply from 3.76 per cent to 2.18 per cent, and in services from 4.49 per cent to 2.06 per cent.

6. Deceleration in the rate of employment growth has been particularly sharp in the organised (formal) sector; it has declined from 2.48 per cent during 1977/78 - 1983, to 1.38 per cent during 1983 - 1987/88. Employment in the organised manufacturing sector has virtually stagnated during 1983 - 1987/88. Thus, an increasingly larger contribution to employment growth in manufacturing has been made by the unorganised sector in recent years.

7. In the rural sector which constitutes a major proportion of the informal economy the proportion of casual labour increased while that of self-employment declined over the period 1977/78 to 1987/88 (Table 5).

The response to this scenario by the Eighth Five Year Plan has been to attempt to raise the level of employment in the agricultural and unorganized (informal) sectors. This is aimed at by the diversification of agriculture into high value crops, development of agro-based and allied employment generation activities, an expanded programme of wasteland and forestry development, greater attention to the needs of the small and decentralized manufacturing sector, strengthening support and infrastructure facilities, and the revamping of programmes of training for entrepreneurship and skill upgradation.

2.3 Self-Employment

According to the National Sample Survey Organisation (NSSO), the number in the labour force on April 1,1992 who will be looking for full time new employment opportunities is estimated to be around 23 million. The labour force is projected to increase by about 35 million during 1992-97 and by another 36 million during 1997-2002. Thus the total number of persons requiring employment will be 58 million during 1992-97 and 94 million over the ten year period 1992-2002. Employment growth in the aggregate will have to be about 4% per annum if the goal of providing employment to all is to be achieved by the end of the Eighth Plan. Past experience suggests that an expectation of a 4% rate of employment growth in the formal organized sector is unrealistic (Aggarwal, 1993).

In view of these facts and figures, it is evident that employment growth and economic development have to be sought through the alternative approach of self-employment. But the critical resource shortage in developing countries is the knowledge and skills to enable people to take up productive self-employment.

2.4 The Informal Sector

The International Labour Organisation (ILO) defines the informal sector as that part of economic activity which is characterized by certain features like ease of entry, reliance on indigenous resources, family ownership, small scale operation, labour intensive technology, skills acquired outside the formal school system, unregulated and competitive markets. In the Indian context, a wide range of activities falling within the domain of industry, transport and agriculture, both in the rural and the urban areas, can be included in this sector.

India is a predominantly agricultural country with a largely rural economy. The majority of the total population is classified as rural and residing in villages. They derive their livelihood from agriculture, livestock and other homebased activities. They work as cultivators (farmers), farm labourers, artisans like black-smiths, potters, carpenters and leather tanners. Some are engaged in village (cottage/household) industries like cotton, wool and silk spinning, weaving (handlooms), handicrafts, metal crafts and leather crafts, and bidi rollers. Almost 90% of the labour force in the rural areas fall within the purview of the informal sector, consisting of non-salaried self-employed and casual wage workers (see Table 5). As against this, in the urban areas, about 56% fall into the informal sector. On the whole, the informal sector accounts for about 85% of the total work force in the country.

During the Fifth and Sixth Plan periods a number of Government organisations were set up to increase the productivity of the informal sector (for example Handicraft Corporations, Handloom Corporations, etc). Despite these efforts, the informal sector still suffers from a number of traditional problems: exploitation by middle-men, lack of knowledge regarding market and consumer preferences, lack of technical competence, poor quality products, and low labour productivity. Government agencies, saddled as they are with the problems of bureaucracy, dependence on erratic or inflexible government policies and red-tape, have not achieved a high measure of success in developing and promoting the interests of the informal sector at the operational level. While attempts to rectify the problem have been made by way of decentralization and involvement of local agencies in planning, they have met with only limited success.

2.5 Non-Formal Education and the Informal Sector

The sheer magnitude of the problem, combined with limited resources, makes it extremely difficult for formal education and training to fill the knowledge and skill gap. Apart from this, formal education in India is known to be ineffective - and even counterproductive - in preparing people for self-employment. Universities and institutes of higher education in the country, which provide fairly low cost, government subsidised education, are notorious for producing unemployed, aspiring white-collar workers. Even worse, the formal education system which attracts people from the rural areas, often weans them away from their traditional occupations. This is the reason why non-formal education and training is increasingly being considered a more effective option.

Non-formal education here is meant to help the informal sector in developing knowledge, skills and attitudes for self-employment and small business creation. It can be broadly defined

> in terms of the basic learning that occurs in development programmes related to areas such as literacy, health, family planning, early childhood development and maternal education, agricultural extension and community mobilisation.
> (Shaeffer, 1992)

During 1979-80, non-formal education was introduced as an alternative strategy to impart education to children, who for various reasons could not attend formal schools. Some relevant information about non-formal education is contained in Table 6.

Community Polytechnics

The scheme of community polytechnics was instituted under the Direct Central Assistance Scheme in 1978-79 in 36 polytechnics on an experimental basis, with a view to ensure for the rural society a fair share of benefits from the investments in technical education. The scheme envisaged that the polytechnics would act to disseminate science and technology applications in rural areas. They were also intended to generate self and wage-employment opportunities through non-formal training. Such training emphasized competence and need-based courses in various trades or multi-skills. They were aimed at poverty alleviation, socio-economic upliftment and qualitative improvement in the life style of people, particularly the rural masses. About 100 technical/occasional trades relevant to respective local socio-economic conditions were identified for imparting skill development training, oriented towards employment generation. There are at present about 159 community polytechnics. They carry out the following activities :

- Socio-economic survey
- Manpower development and training
- Technology transfer
- Technical and support services towards entrepreneurship development; and
- Information dissemination.

The community polytechnics have set up extension centres in far-flung rural areas so that the services and facilities that could be made available through the system are provided right at the doorstep of the villages. Community polytechnics have made a significant contribution towards promoting the transfer of a large number of tested and approved items of technology to the rural areas including bio-gas plants, wind-mills, smokeless stoves, rural latrines, solar appliances, agricultural implements, etc. These institutions have been able to establish proper linkages and effective collaboration and co-ordination with a number of government and non-government agencies. A number of community polytechnics are directly involved in the execution of All India Co-ordinated Projects (AICP) on water, health and sanitation for rural women sponsored by the Department of Science and Technology, Government of India. A number of them are also actively engaged in the planning and implementation of community support services such as community bio-gas system, community waste disposal, and rural health services in water, health and sanitation awareness programmes.

Employment generation through the scheme is mainly from the non-formal short-term training, through competency and need-based courses in various trades, or in multi-skills depending upon the requirement. These institutions, on an average train about 25,000 rural youth every year. Of these, about 35-40% are absorbed into self-employment.

2.6 Role of NGOs in Education and Training for the Informal Sector

Despite the attempts of the Government, education and training have not been accessible for many in the informal sector. Apart from problems of location, disruption of regular worklife and other similar difficulties, formal education and training are not easy to access. For the poor who constitute a majority of the workforce in the informal sector, the relevant cost of education and training is not the monetary cost but the opportunity cost of discontinuing, even temporarily, their occupations of earning their livelihoods on a day-to-day basis. Unless they see a direct linkage between programmes and their own income-generating capabilities, it is rare that they will persevere in acquiring education. The development of productive knowledge, skills and competence therefore depends upon appropriate programmes of education, skill development and infrastructure development.

Although there do exist training interventions by the government for the informal sector, most skill requirements in the sector are developed through means such as traditional apprenticeship. To devise and deliver training programmes oriented to the specific skill requirements of the client group and designed to take into account the variety of social, cultural, local, political and technological factors affecting it, therefore demands a high level of expertise, combined with insight, empathy, and flexibility of approach. It is largely for these reasons that NGOs have been more successful than the Government in education and training in the informal sector.

The Government has been honest enough to acknowledge the importance of involving NGOs in the various developmental tasks of the country. As early as in the First Five Year Plan it was noted that NGOs would have to bear the major responsibility for organizing various activities in different fields of welfare and human development. Over the years, this recognition has increased in scope and emphasis. The Seventh Plan explicitly expressed the intention to involve NGOs in the implementation of developmental programmes, particularly in the rural areas. The period since India's independence witnessed a dramatic increase in the number of voluntary organizations. One estimate was that between 1953 and 1980 the number of NGOs increased five-fold from about 1800 to more than 8000. The actual number of NGOs in India engaged in developmental tasks especially by way of employment generation and employment-related education and training is likely to be much larger as there are a significant number of small action groups operating inconspicuously in the remoter parts of the country.

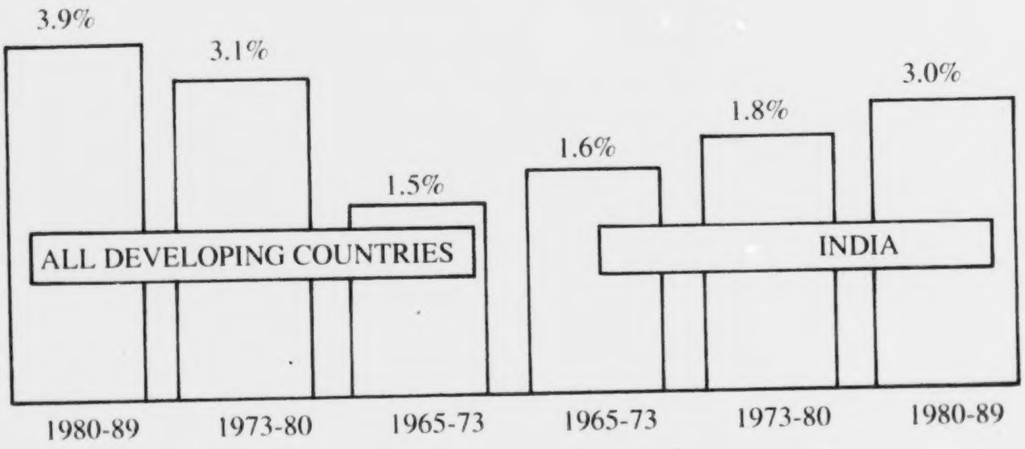
The general approach of the NGOs in non-formal education and training is best exemplified in the case of the Jawaja project in Rajasthan, by one of its founders, Ravi Mathai:

> The relationship between the villagers and the institution (NGO) is perhaps the strongest with regard to institutions which provide inputs such as technology, design, finance and general inputs. The learning that takes place relates to the choice of products and technologies, the assembly, use and maintenance of capital equipment, the technologies of materials, the design of products for diversification, costing, accounting, making provisions for the future. These essentially relate to their management of new opportunities and accompany the more basic aspects of their learning.
>
> (Mathai, 1985)

The four case studies described in this report illustrate different approaches typical of NGOs engaged in promoting self-employment and economic development in India. The Behavioural Science Centre (BSC) follows an approach of education for conscientization and mobilization of deprived sections of society by giving them the skills for organizing themselves for economic and social emancipation. The Self-Employed Women's Association (SEWA) adopts the more common but no less effective approach of combining training in self-employment skills with providing a network of other support services. Utthan Mahiti relies on a strategy of developing and disseminating knowledge and know-how appropriate to the needs of local people and the creation of an enabling environment rather than merely providing training in job oriented skills. The Shroffs Foundation Trust adopts a strategy of integrated socio-economic development which includes services and welfare dispensation along with the promotion of training and education.

TABLE 1

Average Annual Rate of Increase in Real Per Capital GHP



Source: Economic Intelligence Service Economic Outlook Bombay: Centre for Monitoring Indian Economy, June 1980.

TABLE 2

Workers by Category of Employment (percent)

	1972-73	1987-88
Self-employment	61.4	56.3
Salaried regular employment	15.3	13.7
Casual wage employment	23.3	29.9

Source: Economic Intelligence Service, Economic Outlook Bombay: Centre for Monitoring Indian Economy, June 1990.

TABLE 3

Growth of Employment * 1977-78 to 1967-88

	Rural			Urban			Total		
	M	F	T	M	F	T	M	F	T
Employment (million)									
1977-78	136.2	59.8	196.0	36.1	7.7	43.8	172.3	67.5	239.8
1983	147.9	65.9	213.8	45.4	9.6	55.0	193.3	75.5	268.8
1987-88	157.7	70.5	228.2	51.7	11.0	62.7	209.4	81.5	290.9
Annual Rates of Growth (%)									
1977-78 to 1983	1.51	1.77	1.59	4.23	4.18	4.22	2.11	2.06	2.10
1983 to 1987-88	1.43	1.52	1.46	2.97	2.95	2.96	1.80	1.71	1.77
1977-78 to 1987-88	1.48	1.66	1.53	3.66	3.62	3.66	1.97	1.90	1.95

*Usual Principal Status (UPS) M - Male, F - Female, T - Total

Source: NSSO (32nd, 38th and 43rd Rounds) and Estimates of Population based on 1971 & 1981 Census population and provisional population total of 1991 Census.

TABLE 4

Growth Rate of Employment* by Major Sectors

Sector	1977-78 to 1983	1983 to 1987-88	1977-78 to 1987-88
	(per cent per annum)		
Agriculture	0.91	0.94	0.92
Mining	6.32	5.68	6.03
Manufacturing	3.76	2.18	3.05
Construction	7.93	13.03	10.19
Electricity, Gas and Water Supply	6.01	3.15	4.71
Trade	3.52	3.83	3.66
Transport, storage and communication	6.66	2.35	4.70
Services	4.49	2.06	3.39

*Usual Principle Status (age group 15+)

Source: NSSO (32nd, 38th and 43rd Rounds) and Estimates of Population based on 1971 & 1981 Census population and provisional population total of 1991 Census.

TABLE 5

Percentage of Workers* by Category of Employment

	Rural			Urban			Total		
	M	F	T	M	F	T	M	F	T
Self-Employment									
1977-78	62.2	56.3	60.4	39.9	42.2	40.3	57.9	54.8	57.0
1983	59.5	54.1	57.8	40.2	37.3	39.7	55.0	52.0	54.1
1987-88	57.5	55.1	56.7	41.0	38.6	40.5	53.8	53.1	53.6
Regular Salaried Employment									
1977-78	10.9	3.7	8.6	47.2	30.8	44.2	17.9	6.6	14.6
1983	10.6	3.7	8.5	44.5	31.8	42.2	18.5	7.3	15.3
1987-88	10.4	4.7	8.6	44.4	34.7	42.7	18.0	8.3	15.2
Casual Wage Employment									
1977-78	26.9	40.0	31.0	12.9	27.0	15.5	24.2	38.6	28.4
1983	29.9	42.2	33.7	15.3	30.9	18.1	26.5	40.7	30.6
1987-88	32.1	40.2	34.7	14.6	26.7	16.8	28.2	38.6	31.2

* Usual Principle Status   M - Male, F - Female, T - Total

Source: NSSO (32nd, 38th and 43rd Rounds) and Estimates of population based on 1971 & 1981 Census population and provisional population total of 1991 Census.

TABLE 6

Non-Formal Education: Achievements

1. Amount spent (Rupees in Crores)	50.00
2. NFE Centres brought to function (in lakhs) (cumulative)	2.72
3. Number of exclusive girls centres sanctioned (cumulative)	81,607
4. Number of voluntary organisations approved for NFE programme (cumulative)	419
5. NFE Centres brought to function by voluntary agencies (cumulative)	27,342
6. Estimated enrollment (in lakhs)	68.00
7. Number of experimental innovative projects approved (cumulative)	49
8. Number of District Resource Units	19
9. Number of States/UTs covered	18

1 lakh = 100,000 1 Crore = 10,000,000

Source: Government of India, Department of Education, Ministry of Human Resource Development: Annual Report 1991-92 Part - I

3. FOUR CASE STUDIES

3.1 The Behavioural Science Centre

The BSC is a small voluntary agency which is an offshoot of the St Xavier's Non-formal Education Society in Ahmedabad, founded by a group of teachers of the St Xavier's College. Although St Xavier's College is a Jesuit-run educational institute, the group of about 24 members of BSC is a mixed group of secular-minded people from different religious backgrounds. The objectives of the BSC are to work for the socio-economic development of the poor tribal communities in some of the backward regions of Gujarat state.

Heavily influenced in its early stages by the work of Paolo Freire and the ideology of liberation theology as developed in South America, BSC adopted the process of conscientization as the basis of its education and training for social development. Its work has a two-pronged focus. One is to develop social awareness which will lead to unity among the often disparate groups of tribals, generate self respect among them and empower them to organize themselves for protection from the exploitation of upper-caste communities in their regions who have traditionally been oppressors. The second focus is to increase the economic power of the community through techno-managerial education that will give people the knowledge and skills necessary to develop and run organisations for economic production and employment. BSC's approach stresses dialogue with the people and community building. Education therefore is not merely an academic exercise but a joint effort in which trainers and trainees, outsiders and the local population work together. (St Xavier's Non-formal Education Society, 1990-91).

The Centre operates mainly in two regions: the Bhal region of Cambay district in Gujarat and the Dhanduka Taluka region in Ahmedabad district. The work of the Centre is focused on the members of the scheduled castes and scheduled tribes who constitute the lowest levels of the social structure and have traditionally been exploited classes.

Training and Education

The training offered by BSC is of three types. Training in social awareness is provided at the grassroots level for development workers from among the local population. This training relies heavily on inputs from the behavioural sciences and is intended to bring about attitudinal and motivational change among the community. The second type of training is in specific skills required by development workers at the grassroots level. They include skills in developing and organizing cooperatives for social forestry and farming, fishery production, sericulture and other income generating activities. A third type of training is in group dynamics which is aimed at potential leaders from among the local communities who are employed by the Centre as field workers and organizers. Such training is intended to develop competence for organizing local communities into cooperative societies for employment and income generation.

Organizing for Income Generation

Apart from training, BSC is deeply involved in organizing the local communities into cooperative societies for agriculture and other employment activities. The economic and social system in the communities has led to the marginalization of poor and landless farmers who depend upon the upper castes for their livelihood. These farmers work as agricultural labourers. Since agricultural labour is seasonal, the labourers are unemployed when the cultivation season is over.

BSC's first step was to acquire for the labourers land from the government. Cooperative societies were formed which held the land in common ownership. All households of the scheduled caste community were members of the cooperatives. Twelve cooperative societies comprising a total membership of about 740 members were formed by 1989 in the Bhal region of Cambay. These included cooperatives for afforestation, sericulture, sweet water fisheries, and for the acquisition of farming inputs like credit, fertilizers and machinery. A federation of the cooperative societies was formed in 1989 to oversee the management of the cooperative since small cooperative societies at the village level had neither sufficient managerial and technical competence, nor the necessary influence required to deal with a host of external agencies and officials such as government bureaucrats, financial organizations, etc. BSC acts as an advisory body to the federation and helps it in training the members of the cooperatives and providing managerial inputs. The federation initiated steps to establish the cooperatives' own networks for procurement of agricultural inputs, processing and marketing. Such activities have considerably reduced the indebtedness of the farmers. BSC has also organized fishing cooperatives. The Varasada fishery cooperative was established on the Kanawal reservoir with a membership of 123 members, under a scheme of the National Cooperative Development Corporation. Members of the cooperative obtain a fixed payment per kilogram of fish, and the cooperative takes care of all administrative and managerial functions. It also provides credit and training to the members.

Support Services

BSC has laid great emphasis on the development of an enabling environment to facilitate employment and income generation. Four of the major activities in this direction are the starting of a fertilizer credit scheme, a credit scheme for land redemption, a community health project, and activities to promote the development of women.

Fertiliser Credit Scheme

Small and marginal farmers belonging to lower castes are very often denied access to the formal systems of credit. The fertilizer credit scheme envisages the supply of chemical fertilizers like urea, phosphates and potash on short term credit at an interest rate of 12% per annum. The programme is managed through village committees of about six members in each village. These committees maintain records of individual farmers and determine the quantum of support to be given to each and manage the system of fertilizer distribution after receiving the fertilizers from the Federation. Organising the repayment of schedules is also the responsibility of the committees.

Land Redemption

A credit scheme for redemption of mortgaged agricultural land was initiated with a working capital fund of Rs 4,20,000 in 1992. 210 families are involved in this project. Village level managing committees were formed and guidelines were agreed upon between the members and the Federation. According to this a loan is given which is to be repaid over a period of two or three years out of the agricultural income from the redeemed land. The interest is 12% per annum.

Community Health Project

Six member health committees were formed. They play an important role in the management of the health programme. Health workers were selected who were supported at the village level in the management of the programme and at the central level in the medical and training aspects of the programme. Training is given in clinical skills (involving practice in treatment and explanation of the theory behind it); in laboratory skills, in using simple instruments, handling existing health services and medical facilities, and maintaining accounts and stocks. A doctor monitors the health workers' activities. The health workers practise the skills they learned at the village level. The doctor checks and trains the health worker in diagnosis, use of drugs and in follow up of patients.

Development of Women

Women's committees (Mahila Mandals) were developed in the villages. Bhal Mahila Committee (BMC) is formed as an area level body. The village committees selected a representative for the BMC. Camps were organised for these mandals to empower the women. Training camps were organised for them with a focus on awareness, group building and group culture. Gender related issues, the social status of widows, sexual exploitation of women while going out for agricultural labour etc., were discussed in the training camps.

The village level Mahila Mandals developed informal savings groups. Each group has its own village committee of six to nine women. Two or three women in each committee take the responsibility for managing the money collected every month. Women contribute Rs. 5/- to Rs. 10/- per month as savings. The federation provided the necessary education to the members on conditions for making savings and credit systems viable, information on the number of savings groups, their membership and capital mobilised, possible plans of action for the future etc.

Conclusion

Education, training and research are the basic tools BSC uses to develop the rural people. The process involves understanding the profile and problems of the people, making them aware of the development opportunities, helping them to realise their potential and organising them for action. Gradually BSC empowers them when they are adequately equipped with skills and knowledge and ready to take care of the activities initiated by BSC.

3.2 Utthan Mahiti

Utthan Mahiti, registered as a society under the Public Trust Act, is based at Ahmedabad. It was part of the Ahmedabad Study Action Group (ASAG), a voluntary agency specialising in rural housing and development programmes in Ahmedabad district. It was founded by a team of young professionals who were involved in block level planning during their association with the scheme of Micro Level Planning (MPL) of 1978/1979 launched by the Government of India for full employment in Dhanduka Taluka[2], Ahmedabad district.

Mahiti works in the Dholera area of Dhanduka Taluka. It is a low-lying coastal area around the Gulf of Khambhat. It suffers from hostile geo-climatic environment: high salinity, erratic rains, monsoon, inundation, temperature extremes, and coastal cyclones. The main obstacles to development in this area are scarcity of drinking water, large wastelands, poor agricultural lands, large scale family migration, an exploitative socio-economic structure, government indifference to local problems and poor levels of health and education. A large majority of the people in the area are economically backward. Most of them are indebted and are forced to resort to seasonal migration searching for employment.

Utthan attempted to organize the community around the major issues of the area. It started its functions as an agency to promote information, develop skills, make people aware of the Government's development programmes and train local people to become leaders and form village level organizations. Village level organizations of women and youth known as Mahila Mandals[3] and Yuvak Mandals[4] were formed.

The team tried to understand the basic problems of the people themselves rather than going by the views of the Government officials. The Government officials held the view that the area was backward because of resource scarcity and the nature of the people who are lazy and do not cooperate with the development programmes. The group found that resources were plentiful and only needed to be used. It was necessary for people to be informed about their hidden resources and be provided with proper information about the development programmes of the Government.

So Utthan Mahiti decided to help villagers by helping them obtain access to development schemes and organise them. They took the following measures to reach the above objective:

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[2] A geographical unit like a county

[3] Women's Committees

[4] Youth Committees

1. Establishing an information network at the village level.

2. Training people to take decisions on the basis of analysis and technological evaluation of the information and situation instead of imposing hierarchial decisions based on authority.

3. Creating community participation through formal or informal groups of local people and creating a social entrepreneurial force.

4. Liaising with and involving scientific and technological institutions to help translate their decisions into technologically and economically viable action plans.

5. Converting these action plans into administrative schemes.

6. Helping with the management and monitoring of these schemes through local resources to the best possible extent.

7. Achieving community confidence through demonstration and experimentation.

Utthan named this programme as Mahiti. Specific activities were undertaken to generate, process and disseminate development information to the village people, to provide information on the problems and potentials of the area to Government agencies, to demonstrate projects, to train people and to provide a forum for the exchange of ideas among people, Government officials, scientists and technicians. The basic idea was to develop a rapport with the people, communicate with them, understand their problems, enable them to find out solutions and make them self reliant.

Activities

The first activity was related to solving the drinking water problem. A cluster of 7 villages of Dholera area was undertaken for the purpose.

Water Resources

Expertise from industrial, educational, technological, and research and developmental organisations was mobilized by Utthan Mahiti to solve the drinking water problem in this area. The plastic lined (agrifrilon coated) ponds were found appropriate to this coastal saline area as an effective rain water harvesting device. Eight ponds were plastic lined. Mahiti experimented with other new water development methods also, such as roof water collection during the monsoons, solar distillation and reverse osmosis. Not all these however have been successful on account of various technical problems. But these systems also were not feasible for the villagers. A Centre for Water Resources Management was developed, which offers professional services, educational programmes, skills, know-how, and advocacy that assist locally based communities in better water resource management. A systematic building of awareness and a training system for involving people in the management of their own resources are being evolved by the centre.

Social Forestry

Other than drinking water scarcity, another major problem of the area is saline waste land. In the Bhal area, 50% of the land is saline waste land. There are many reasons for this. There is no underground sweet water table in this area. The existing highly saline water table causes salt deposits to be left on the surface during the summer. Furthermore, the land is flat and close to the sea and is susceptible to periodic inundation. This causes the soil to become even more saline.

Social afforestation is one of the main activities in Mingalpur and Bhangadh villages. Women in these villages obtained 20 hectares of land on lease for 15 years from the Government as a common property. The task is to revegetate the saline land. Utthan Mahiti supported them by helping them to plan, design and to identify long-term and short term goals related to the activities.

The Mahila Mandals began to collect karedi, the seeds of Salvodara, which are used to produce non-edible oil for the cosmetics industry. The members of the Mahila Mandals collect the seeds from Salvadora growing wild on the coast. With the demonstration of the profitability of Salvadora, the farmers became interested in cultivating it.

Mahiti also worked out a method of commercially cultivating this plant. This method involved building bunds (small dams) to prevent sea ingress and preserve rain water, growing suitable plants and shrubs to create ground cover that would increase bio-mass deposits on the ground and improve both the texture of the soil as well as the fertility, changing the method of planting to improve rain water harvesting and allow growth of grass, and constructing farm ponds to provide water to help the plants tide over the initial, crucial, post-transplantation periods.

The project was designed using local technology with the help of the Waste Land Development Board initially on an experimental basis. The success encouraged farmers to adopt this method of cultivation. The mandal also develops nurseries to raise seedlings for the plots. For this purpose specialized training is required for nursery raisers, plantation supervisors and others involved. Mahiti undertakes these training programmes every year. The programmes start in the month of December and continue up to April. Special emphasis is given in these programmes to developing women as entrepreneurs in the rural market. Experienced people of these villages play a supportive role in the training programme.

This intervention of developing wasteland undertaken by Mahiti oriented the villagers towards a new approach to income generation. The household economy was one of the main pillars of the social structure of the community. The new methods of income generation helped change the seasonal migration patterns of the region. The bifurcation of loan and subsidy components and their availability to the people in time, especially in summer, is an important purpose of the programme. This is to enable people to stay back in their villages and work in the wastelands, to help them stabilize their social structure and family life. The programmes also helped women spend more time with their families and allowed children to join schools since the families did not need to migrate seasonally.

Mahiti tries to develop the people by changing their attitude towards social problems. Discussions are organised in small groups on issues relating to communalism and religious sentiments, values, unemployment, existing social structure etc. Demonstration of bio-gas plants, women's exposure tour etc. gives opportunities for the women to come together. Various small groups have evolved for activities like the management of drinking water, savings credit, health training and unemployment.

Tiger Prawn Production

Another activity is tiger prawn production and marketing. This was planned as an income generating project in Dholera. Rearing of some local species as well as other varieties was also planned. A team from Utthan Mahiti carried out a break-even analysis and decided the minimum price to sell the prawns. A market survey was undertaken for the purpose. The group is planning to try out prawn cultivation in sea water, and in village ponds apart from the underground brackish bore water.

Market Survey

The villagers, especially the women, felt that they benefit much less when they sell various products in the market because they are unable to understand the market, its fluctuations etc. at the right time. Utthan Mahiti carried out a study for evolving a different methodology of sale and purchase of farm-based non-agricultural products, household commodities etc.

Bio Gas

Mahiti created awareness among villagers regarding bio-gas. Information regarding technical and financial aspects was given to them. Mahiti helps in implementing bio-gas plants and trains the villagers in the operation and maintenance of bio-gas plants.

Health

Health camps and community health meetings were organized to make the village women strengthen their knowledge and skills in working effectively as health workers. The camps focused on presentation and treatment of different diseases like T.B., worms, and gynaecological problems. Village women were identified and encouraged to join the health workers group as a result of health meetings.

Communication

Video documentation training of members for operating communication equipment, showing videos and slides in the villages, making posters, pamphlets, exhibitions and a video library are activities of the Communication Cell set up by Mahiti.

Due to climatic conditions and the quality of the land, income from agriculture is unstable and meagre. Formal credit facilities for the villagers like bank, government and other institutions are not easily available. Banks do not provide small loans to the villagers. The timings, procedures and regulations also prevent illiterate people from approaching them. So the villagers depend on the darbars (money lenders) to get loans. The darbars provide loans easily and without complex procedures. However, only men could avail themselves of the loans and the system is extremely exploitative due to high interest rates, manipulation of records and physical intimidation by the money lenders. With the help of Utthan Mahiti, the women from Bhangadh village decided to start a savings group in 1985. Utthan supported the idea and provided training and information. After six months another group was formed in Mingalpur village. At present there are 45 members in Bhangadh and 54 in Mingalpur. Woman can become members by paying a nominal deposit of Rs.10 and attending one meeting. All the members have access to loan funds as soon as they join the group. The repayment schedule can be decided by the borrower at the time when she takes up the loan. The committee members discuss and decide the priority of members and allot loans accordingly. The women's savings group helped the villagers pay off their debts and liberated them from the exploitation of the local money lenders. Members even felt that the attitude of men towards women changed and men started accepting their abilities and strength.

Conclusion

Utthan Mahiti's role is one of a support and information giver. It initiates the villagers to sit together and appraise the situations prevalent in the villages, get a clearer idea of the problems existing and work out appropriate projects accordingly. It also plays a major role in getting governmental and other support required for such projects.

The various activities undertaken by Utthan Mahiti[5] were in building lined ponds with the help of people to solve drinking water problems, saline waste land development, prawn cultivation, charcoal-making, bio-gas, community health programmes and organizing and training self help groups so that the village people themselves learn to solve their problems and become self reliant.

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[5] References in this Section 3.2 were drawn from Progress Reports and other secondary data on Utthan Development Action Planning Team.

3.3 Self-Employed Women's Association (SEWA)

The Self-Employed Women's Association (SEWA) is an organisation of women engaged in income generating activities. It is registered under the Trade Union Act, 1926. `Sewa' means service in Gujarati language. It is a unique trade union in the sense that it serves unorganized self-employed women where the self-employed have no real history of organizing.

Background

Sewa is an offshoot of the Textile Labour Association (TLA), a labour union founded by Mahatma Gandhi in 1918. The TLA had a women's wing which worked for the development and welfare of working class women. Its main activities were training, production, unionization and research. The section trained women in production activities such as sewing, embroidery, knitting, doll making, spinning, printing, composition, typewriting, radio servicing and home help service, as well as in civic education, modern house-keeping, and family health.

In the 1970's, a survey was conducted to probe the complaints of some women tailors against exploitation by contractors. The survey was an eye opener to the problems of unorganized self-employed women. The majority of the unorganized population engaged in income generating activities were women and were not protected by unionization, government legislation and policies. Employment security also was missing. They were exploited by contractors, money lenders, and even harassed by the police and government officials for using the market place for their trade. Even though they worked hard they lost income in the process of buying raw materials, hiring tools and equipment, arranging cash for working capital and selling their products either wholesale or retail. At each of these steps the money lenders, suppliers, and wholesale dealers exploited the unorganized and illiterate women. Under the leadership of Ms. Elaben Bhatt, the women's section of the TLA decided to organize the women engaged in income generating activities such as trades and services. Thus was formed the Self-Employed Women's Association (SEWA) in 1972.

By 1981, SEWA separated from TLA due to certain ideological differences. Now SEWA is affiliated to other international labour federations like the International Union for Food and Allied Workers (IUF), Geneva, the International Federation of Plantation Agricultural and Allied Workers (IFPAAW), Geneva, the International Textile, Garment and Leather Workers' Federation (ITGLWF), Brussels, and the International Federation for Chemical and Energy Workers (ICEF), Brussels.

Structure

The women are organized on the basis of their trade. Any woman can become a member by paying the annual membership of Rs.5/-. SEWA developed a representative board of group leaders elected from each different section. Trade committees representing hand-cart pullers, vegetable vendors, garment makers, used garment dealers, junk smiths, milk maids and miscellaneous workers were formed. The group leaders provide a communication channel between SEWA and the members since they know the members and their problems, their houses and their economic viability. Every three years a Representative Council is elected and the Council elects the Executive Committee consisting of 25 members. The president of SEWA is elected from the trade group which has the maximum membership. In 1992 the total membership of SEWA was 41,887, of which about 58% were urban based members and the remaining rural.

TABLE 7

Trade and Services	Number of members
Vendors (Vegetable, Fruit, Old clothes, Kerosene, Fish, Eggs, Basic consumer provision sellers) (Urban)	4,820
Labour & Services (Tobacco processing workers, Agricultural workers, Plantation workers, Milk producers, Cleaners, Paper pickers, Head loaders, Hand cart pullers, Contract labour, Other service providers)	13,380
Home Based Workers (Beedi[6] rollers, Agarbatti, Papad makers, Ready made garment workers, Embroiderers, Bead workers, Weavers, Bamboo workers, Carpenters, Black smiths, Other home based producers) (Urban-24207, Rural-17660)	23,667
Total:	41,867

Source: SEWA Information Brochure 1992

Activities

SEWA identified various occupations in which women were engaged and classified them into three categories:

1. Small scale vendors, traders and hawkers who sell goods such as vegetables, fruits, fish, eatables, household goods, garments and other similar types of products.
2. Home based producers such as weavers, potters, beedi rollers, agarbatti[7] workers, papad rollers, garment stitchers, processors of agricultural produce and handicrafts producers.
3. Labourers who sell their services including agricultural labourers, construction workers, contract labourers, hand cart pullers, head loaders, washer women, cooks, rag pickers, forest produce gatherers, cleaners and other providers of service

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[6] Local cigarette made of leaves

[7] Incense sticks

SEWA then organised the women into unions and cooperatives.

SEWA's activities can be broadly grouped into four: union activities, training for employment, organizing cooperatives, and support services.

Union Activities

Union activities involve organizing women into a labour union, to fight against low wages, exploitation by contractors, lack of social security, lack of protective legislation, displacement from markets, and other problems. The various forms of struggle include processions, satyagraha[8], legal action and strikes.

SEWA provides legal aid for the members as and when required and lobbies to change policy and laws at the national and state levels. For example, SEWA took up with the Supreme Court the matter of street hawkers who used to be periodically harassed by the police for their illegal occupation of the market place. The Supreme Court granted a verdict in favour of the hawkers. The court declared that vendoring was a fundamental right. The hawkers were eventually granted temporary licences.

Self-Employment Training

SEWA believes that total empowerment of women is possible only through their economic independence. To enable women to take up self-employment, SEWA has been providing training in a number of activities. On the basis of a socio-economic survey of women in 15 villages of the Devdholera region, SEWA identified the women who were already involved in activities like spinning, dyeing, cleaning raw wool etc. Weaving was traditionally considered a man's job and women were allowed only to help in pre-weaving activities. SEWA decided to give training to the women to develop skills in pottery making and weaving. They also started the amber charka[9] project in the village of Devdholera under the Right To Work scheme of the Khadi[10] and Village Industries Commission (KVIC). SEWA supplied the raw materials and the charkha to the women. Women were given training in operating charkhas and the produce was supplied to KVIC. The wages were paid by SEWA. The projects started with 25 women in one village, but 175 women joined for training from nearby villages within one year. The women worked six to eight hours a day and earned between Rs. 150/- to Rs. 250/-, which was more than what they could earn as agricultural labourers at that time.

The other training activities that SEWA started were for weaving of khadi blankets, sarees and floor rugs, pottery making and basket making. Most of the activities were traditionally done by men and it was not easy to initiate women into such activities. Men trainers initially refused to train the women. But SEWA was able to start ten weaving centres within a year for training under the Training for Rural Youth in Self-Employment Scheme of the government. A tailoring class was opened in 1979. After sufficient training, production units were started where ready-made garments are produced and sold in the villages and in Ahmedabad city by trained women.

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[8] A Gandhian form of peaceful protest

[9] A cotton spinning wheel used in rural cottage industries in India.

[10] Home-spun cotton cloth

Co-operatives

In 1978, SEWA started working for a dairy co-operative for women. Milk societies were monopolized by men and the upper castes. So it was necessary to register a milk society only for women. A loan of Rs. 50,000/- was sanctioned from the SEWA Bank. SEWA arranged a revolving fund to give cattle loans for women. Ten co-operatives were registered in the year 1980 from Dholka block.

SEWA helps the women to form the co-operative and provides them with technical help, management knowhow, access to working capital and training. SEWA's role is only in helping in policy matters and maintaining the solidarity of the co-operatives once they are established and become self-sufficient.

There are 60 co-operatives sponsored by SEWA at present. They fall into the following five categories: artisan co-operatives, land based co-operatives, livestock co-operatives, trading co-operatives, and service co-operatives.

SEWA also helps individual co-operatives to link with larger co-operative movements. In 1992 the Gujarat State Women's Co-operative Federation was formally registered. The federation ensures active leadership of women in the co-operative movement, raises issues concerning raw materials, marketing, working capital, working tools, work space etc. at the state level with policy makers. It also provides training and support services to the members of the federation. There are 41 women's co-operatives affiliated to the federation at present with a total working capital of Rs.70,000/-.

Development of Women and Children in Rural Areas (DWCRA) is a government scheme aimed at income generation. Using this scheme, the Banaskantha Women's Project organized 660 women in 32 villages to help them obtain employment and generate income. It was formally registered in 1992 as the Banaskantha DWCRA Groups Association.

Support Services

Unlike in the formal sector, in the informal sector people earn low incomes and do not receive any social security. There are no insurance schemes, creche facilities, provident fund or maternity facilities for the self-employed. SEWA is trying to provide such facilities through support services. These include the Sewa Bank, which has 35,682 members and the Sewa Academy.

Sewa Bank

The difficulties which women faced in obtaining finances prompted SEWA to start the SEWA Bank with the help of money collected from members. In July 1974, the Mahila Sewa Sahakari Bank was inaugurated by the Governor of Gujarat.

The functions of the co-operative SEWA Bank are to provide a service to its members, to provide infrastructure to nationalised banks to help small clients, to provide safe custody of the cash members receive as loans, to give training in banking habits to the members, to promote thrift, to provide purchasing services, to guide in marketing goods, and to provide technical help in production, storage, processing, designing and sales services.

The bank is designed to suit the requirements of the members. Since the members are illiterate and workers don't have time to visit the bank as and when required, procedures and formalities have been simplified. They are provided with a savings box in which they can keep their savings every day and the bank officials collect it from them. A loan is given to the member as and when required on guarantee of a SEWA member.

The SEWA Bank started various insurance schemes for SEWA members. They also try to develop housing services for SEWA members. Other activities include child-care and health-care co-operatives, social security insurance including work security schemes and a life insurance scheme. SEWA also provides legal aid, legal education and assists workers in their legal struggles in court.

As part of the housing services, a survey of the housing conditions of 1,000 SEWA members was conducted. Members were assisted in applying for plots of land for housing. Those who obtained land were given guidance as to how to construct houses on these plots. SEWA initiated negotiations with the Housing Development Finance Corporation (HDFC), the Ahmedabad Urban Development Authority (AUPA) and the Gujarat Government for allotting land and helping in housing services for the members.

SEWA Academy

SEWA Academy identifies and gives training to the leaders of members to carry forward the SEWA movement. The training curriculum is designed keeping this objective in mind. Merit certificates and group photographs are distributed at the end of the training. Thirty such training sessions were organised in 1992 in which 719 women participated.

Other training programmes include :

- DWCRA group leader training.
- New SEWA organisers orientation training.
- Training of trainers.
- Training on SEWA for visitors.

SEWA has so far organised and conducted vocational training programmes covering a total of 8,650 women in a wide range of trades and occupations such as charka spinning, embroidery, soap making, plumbing and roof tile making. It has also conducted welfare development programmes covering more than 3000 people in 1992 alone. SEWA Academy facilities were used for training and other activities, including literacy, communication, research and documentation.

In 1982, SEWA started a fortnightly magazine to provide a forum for presentation of experiences, ideas and viewpoints emerging from SEWA's work. It has been published successfully for 11 years now.

Video SEWA was formed in 1984 as a developmental tool. SEWA women were given intensive training in using the video as a development tool. Video SEWA developed a fully fledged studio and several programmes were produced for teaching, training and orienting SEWA members and organizers in SEWA activities. Several video tapes depicting the lives and struggles of self-employed women were made.

The research publication and documentation centre undertakes many research studies with regard to the lives of poor women. SEWA also started a design library both as a resource centre for artisans and also to document, preserve and disseminate their designs and skills among the artisans themselves. The design library collects samples, prepares reports on feasible designs, develops new ones and facilitates the exchange of ideas and designs between artisans. At the design library, the designs are the collective property of all artisan women.

Conclusion

Today, SEWA is working in 101 villages in Ahmedabad district. The employment activities are through 23 women's dairy co-operatives, 6 artisan women's co-operatives, 12 land development and nursery groups, 40 community health workers and health centres. 95 self-managed savings and credit groups are helping women build up an asset base, including the recovery of mortgaged lands. In seven villages the milk and weavers co-operatives are self-sufficient and becoming economically viable units. Women have learned to manage the administration and accounts by themselves. SEWA helps them only in marketing and solving policy level issues.

Outside Ahmedabad district, SEWA's employment activities have been undertaken in Banaskantha, Kheda, Mehsana, Gandhinagar, Junagadh, Surendra Nagar and Vadodara districts of Gujarat.

With the joint action of unions and co-operatives SEWA has achieved considerable success in developing self-employment among the illiterate and poor women of Gujarat.

3.4 Shroffs Foundation Trust (SFT)

Shroffs Foundation Trust (SFT) is a service organization located at Kalali Village, 10 kms away from Baroda city, in the state of Gujarat in India. It was established in 1980 and is registered under the Bombay Public Trust Act 1950. The mission of the Trust is to assist the village population in improving their productivity, efficiency and creativity through effective management of available resources. This the Trust attempts to achieve by acting as a link between industry, academic institutes, voluntary and other agencies and the village community.

The Trust endeavours to develop and enable the rural people by helping them to utilise their own resources, not in patronising, donating or giving charity. From the viewpoint of the Trust, development includes mental, physical and economic aspects as well as conservation, increased productivity and enrichment of resources - human, land, water, livestock, energy and environment. Approximately 6,000 families from 19 villages benefit from the activities of the Trust.

The activities of the Trust are actively supported by the Excel Group of Industries Limited, especially Transpek Industries Limited which is located in Kalali Village. They consider it a social responsibility to support community development activities. Many other organisations and well wishers support the Trust and give donations for their activities.

Structure

The structure of the organisation consists of the Board of Trustees, a Managing Trustee, Working Committees, Project Coordinators, Assistant Project Coordinators, Social Workers, Field Workers, Community Workers and Labourers.

The Trust Board consists of professionals and experts in the field of medicine, agro-science, management and other related areas and provides guidance, advice and support to the Trust. The Trust Board is consulted in taking major decisions, otherwise the day to day administration is done by the Managing Trustee with the support of the Working Committee and the Project Coordinators.

The Working Committee consists of the Managing Trustee, Project Co-ordinators, experts from respective fields, representatives of beneficiaries and sometimes one or two Board members.

Activities

'We believe in the complete development of human beings' says the Managing Trustee, Ms. Shruti Shroff. Men are helped in farming, women in self-employment, and children in education. Health care is provided to all. The initial activities of the Trust were centred around the children, women and youth of Kalali and surrounding villages. Over a period of time, the Trust activities got strengthened with the participation and contribution of the surrounding villages. The villagers donated three acres of land to the Trust. The Trust built a small hut as an office on the land and started functioning from there with five employees. Now the Trust has a sixteen-bed hospital, separate office for each project, a small canteen and a strength of 100 employees.

The activities of the Trust can be broadly divided into the following areas:

a. Health Services including Arogya Kendra[11], mobile dispensary, community health, rehabilitation of malnourished children, family planning, prevention and cure of T.B. and leprosy, malaria prevention programme and combating epidemics.

b. Agricultural Services. These include raising crop yields, diversifying and marketing crops, animal health care, input guidance-seeds, nutrients and pesticides, soil upgradation, compost, enricher, fodder and water management

c. Other Services like woman and child welfare, Mahila Gruh Udyog[12], low cost housing project, energy management, sanitation and water purification

d. Special Services such as help in emergencies like floods, free medical treatment of eligible families, and a baseline survey of about 6000 families with continuous updating of data.

Health Services

A sixteen-bed fully fledged hospital 'Arogya Kendra' has been functioning since January 1990 at Kalali. Medical and nursing services are provided round the clock for the benefit of the people in and around Kalali and Atladra villages. The major activities include regular OPD services/operation theatre, indoor medical and nursing care, pathology laboratory, treatment for T.B., leprosy, malaria, diagnostic camps, family planning operations, direction and treatment for malnourished children, medical termination of pregnancy and ambulance services. The community health project provides extension services for health care to 15 villages near Kalali and Ekalbara. The main services are immunisation, detection and treatment of malnourished children, supplementary nutrition to malnourished children, and health education.

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[11] Health Centre

[12] Women's Cottage Industry

Agro Services

The agro department provides services to all farmers in fourteen villages. The major activities consist of intensive field supervision and guidance, fodder demonstration, farmers' education/external visits to the Agricultural University and other agencies, soil enricher demonstration, soil and water testing laboratories, procurement of agro inputs (seeds, fertilizers, pesticides etc.), silage field demonstrations, nursery development, and interaction with institutions, government agencies and individual experts. The project has a veterinary and animal husbandry section where the problems regarding cattle are taken care of. Cattle care workshops are arranged for the people. Artificial insemination for the cattle, vaccination for animals, and mobile veterinary services are some of the other activities.

Water Management

Successful construction of an earthern dam with the capacity of 340,000 cubic metres at Kalali and the benefits derived out of it inspired the Trust to extend these activities to other villages also. The water resources development project studied the water resources problem in sixteen villages to introduce feasible and cost effective schemes to improve ground water quality and to support irrigation. All the basic data were already collected by the department and at present they are implementing effective schemes for the above mentioned purposes.

Energy Management

This department is dealing with projects on smokeless chula[13] and bio-gas plants. This project is undertaken along with the government. The project was assigned to the Trust by the government to work as an agency in the villages to promote smokeless chula and bio-gas plants. The Technical Backup Support Unit (TBSU) provides necessary training to the Trust employees. The charge for making one smokeless chula is Rs.10 which the beneficiary has to pay. It includes follow up and repairing charges.

Low Cost Sanitary Latrine

This project is in collaboration with the Environment Sanitation Institute, Ahmedabad to help the village population develop better sanitation facilities. 600 families have benefited from this project with 30% contribution from the beneficiaries.

Woman and Child Welfare

This is a significant activity at the Trust wherein a lot of emphasis is given for women to understand and appreciate their role in the family and society. The key activities involve informal education for women, skill development programmes and parents' education for child care. Women are trained in fuse repairing, stove repairing etc., so that they don't have to depend on others when there is a need for maintenance. Consumer awareness is given to them alongside health and hygiene awareness. They are encouraged to participate in cultural activities and workshops arranged by the Trust. Recipe competitions, garba[14] competitions, hair style competitions etc., are conducted for them. Sports competitions and debates are conducted for the children. Seminars and workshops are arranged for them. Opportunities are provided to learn traffic rules, water works mechanisms, first aid etc. Trained professionals are invited to teach the children. Attempts are made to train them in a creative and constructive way.

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[13] An indigenous stove made of clay

Technical Training Centre

The Trust has a Technical Training Centre, where fifty-six students from the villages are trained in scooter repairing, motor winding, wiring and masonry. This enables them to find employment in workshops in the village and outside. Some of them have started their own repairing shops.

The Mahila Gruh Udyog

Another significant activity of the Trust is the Mahila Gruh Udyog. This provides women with supplementary income for their families and enhances their role in improving the quality of family life. Women are trained in making papads[15]. The functioning of this project is in such a way that it develops many other abilities of the women. The project has seven centres in seven villages. Each centre has a group of three women in charge who are trained by the Trust. Dough for preparing papads is made centrally in the Trust and sent to the centres. This is supervised by the production supervisor. The women in charge in the centre distribute it to the members in their centres. All the production information and packing instructions are given to them. The quality testing is done in each centre by the women and the papads are grouped into A grade and B grade qualities. Poor quality papads are rejected. The women write the accounts of the day and send them along with the packed papads to the Trust. Marketing is done by the Trust. Profit is distributed to the members. The average production per day is 400 kg. The women earn a minimum of about Rs. 500 per month. 250 women are members at present. The women use the money to support the family and educate their children. Due to this project, the women have learned to use their time constructively. They have a sense of belonging to the project as they are coordinating it themselves. The papads they make are available in the open market under the brand name 'Crispy Papad' and it has established markets in Kohlapur, Vadodara, Bombay etc.

The purpose of SFT is progress through service and goodwill. The Trust claims to interact with the people it serves, speak to them in their own language and gain their acceptance. All further services and activities are determined by a common perception of requirements and priorities. Much of the responsibility of undertaking, promoting and carrying on the activities has been taken by individuals and groups in the local community. As a result the activities have become increasingly self-supporting, and the major input of the Trust is advice, encouragement, expertise, equipment and liaison with other agencies which can help, whether government, research institutes, voluntary organisations, industry, funding agencies or individuals. This would eventually lead to a self reliant, on-going and continually evolving range of activities and initiatives, with the Trust playing the role of guide, advisor and friend. This is the ultimate and basic goal of the Shroffs Foundation Trust.

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[14] A traditional folk dance of Gujarat State

[15] A flat round wafer made of lentil flour which is commonly eaten with meals

Training and Education

The Trust which initially started with five people has a strength of a hundred employees today. Each department has a project coordinator who is in charge of a particular project. The Project Co-ordinators report to the Managing Trustee. In consultation with the working committee, the PCs decide the activities of their project. Project planning, development, coordinating the project directing and controlling finance for the project, implementing the project and training the project staff are the responsibilities of the project co-ordinators. As and when required they visit the field along with the project staff.

With the help and direction of the project co-ordinators, the project staff implement the project. They go to the villages, talk to the villagers and develop a rapport with them. They try to understand the needs of the villagers and the project activities are decided according to the needs of the beneficiaries. The next step is developing awareness and educating the beneficiaries. The methods they use to communicate and educate the rural people demand originality and creativity from the project staff. The average education of the villagers is 12th standard. But many are illiterate. So the community workers and social workers carefully plan their educational and awareness programmes to suit the rural population. They travel to villages and use songs and folk dances to attract the attention of the people. When the villagers gather, the project staff talk to them about the projects and secure their cooperation to attend classes at which they are taught basic skills.

The process of educating the rural population requires many competences. Other than skills regarding all the aspects of the project, communication skills are also important to talk to different groups like women, children, farmers and aged people and to deal with different aspects like their attitudes towards life, ignorance about health, and above all to convince them about changing their traditional beliefs in farming, family planning, etc.

Conclusion

The Shroff Foundation Trust has adopted 20 villages. Initially the villagers expected some charity and financial help. But SFT believed in educating and training the villagers so that they can attain self-reliance. SFT took an integrated development approach for each group of villagers like children, women, youth, and farmers. Each area emphasised development through education and training. Awareness regarding modern techniques of agriculture, medical facilities, changing perspectives of society towards dowry and other social issues, information to children regarding traffic rules, water works, health and hygiene and giving an exposure to each of these areas to help the people understand their benefits, are some of the unique activities undertaken by SFT. Women are helped to develop entrepreneurial skills by managing the production centres, keeping accounts, controlling quality, and also maintaining records. The beneficiaries consider SFT as a centre where they can obtain information and support in experimenting and exploring their related areas of development. People now realise the importance of working together and also of developing oneself to become self-reliant rather than waiting for charity. According to SFT officials this is the right development method for a community in India.

4. LESSONS LEARNT FROM THE CASE STUDIES

The case studies of the four NGOs engaged in non-formal education and training represent approaches which are different but at the same time have a number of similarities which seem to represent the strategy followed by NGOs. BSC adopted a basic strategy of education for conscientization on the assumption that social awareness needs to be combined with the imparting of the basic skills of economic activity. SEWA was less concerned with matters of ideology and opted for a pragmatic approach of promoting the economic independence of women by giving them skills and other support services. Utthan Mahiti used the method of providing technical help and know-how related to the problems of the local community. The SFT's approach is characteristic of the approach followed by agencies supported and promoted by philanthiopic business houses in India - that of welfare dispensation and service-oriented activity.

The approaches of the four NGOs, however, have many characteristics in common, which are perhaps distinctive of NGO strategies.

1. All the four NGOs targeted their efforts at the marginalized, socio-economically deprived sections of the community. These are communities with a long history of being politically or socially oppressed.

2. The education and training activities of the NGOs are all strongly linked with - and in the case of BSC and Mahiti, only incidental to - programmes for socio-economic development. The emphasis of the NGOs appears to be on capacity building rather than on employment generation or job skill development per se. Implicity or explicity, the approach of NGOs is based on the assumption best expressed by Heredero in the BSC case: 'Economic and technological development do not constitute real development. Real development takes place when there is personal growth and increased awareness which contribute to the empowerment of people.' From the viewpoint of these NGOs, the promotion of self-employment has necessarily to be provided and accompanied by a process of conscientization. Self-employment itself is seen as more than just a mode of income generation or enhancement; it is the expression of a developing capacity for socio-economic transformation.

3. The emphasis of all the four NGOs is already on community-based economic activity. Even in the case of SEWA which was involved in many subsystem-level employment skill building programmes, more importance seems to be given to activities like the Mahila Gruh Udyog and the other cooperative forms of activity. Thus, social mobilization and concerns about social justice and equity seem to have greater importance for the NGOs than economic efficiency or productivity.

4. All the four NGOs follow a long-term approach to self-employment, stressing the importance of sustainable development through people's participation and responsibility sharing in the process of development. Leaving the onus of learning and development with the beneficiaries themselves is an important value underlying their strategies.

5. The activities of the NGOs in all four cases emphasised informal education and training relevant to the specific socio-economic contexts of the client or beneficiary groups. Even if limited and too inadequate in scope to be able to promote significant economic activity, the education and training used inputs appropriate and comprehensible to the beneficiaries. The success of all the four NGOs studied may be attributed to a large extent to their being contextually relevant to the clienteles.

6. All the four NGOs preferred to develop activities which would supplement rather than substitute for the existing employment or income generating activities of the clienteles. While their activities may have brought about significant socio-psychological change among the target groups, at least in the short term they do not seem to have brought about climatic improvements in economic wealth or in income generating activity. Thus, they all served to improve the subsistence employment of the communities but did not promote employment that would bring in substantial economic gains for either the individuals or the communities. Even BSC, which in its early stages widely made use of achievement motivation training, did not seem to have generated much entrepreneurial activity. The major reason for this is that all the four NGOs attempted to build people's competence in traditional or traditional-related economic activities - agriculture and forestry in the case of BSC and Mahiti, and cottage or home-industry in the case of SEWA and SFT. None of the four seemed inclined to develop competences for non-traditional, modern industrial occupations. This may be because none of the four (except to a small extent the SFT) had either the inclination or the technical, financial and institutional resources necessary to train people for non-traditional occupations. Besides, their target groups were all those who did not have adequate access even to basic education, which may be a prerequisite for training for the industrial entrepreneurship type of occupations.

Implications and Conclusion

NGOs clearly have an important role to play in non-formal education and training for self-employment among marginal and underprivileged groups. They have the motivation and the ability to provide basic literacy and skills to those groups which the formal education and training systems are unable to reach. Thus, in complex, highly stratified societies like those in India, NGOs perform the crucial function of mobilizing people at the lowest rungs of the social ladder to improve their socio-economic condition by imparting basic literacy and skills outside the formal education systems. By using a community-based approach to development, the NGOs also help build a social support structure which enables a certain amount of economic risk-taking which would otherwise be impossible for the poor who have little or no capacity for risk-taking. Another role which the NGOs perform is that by their direct involvement with the local community, they are able to understand and deal with social and cultural problems (like the caste system) which are major socio-psychological obstacles to economic development.

However, as a rule, NGOs in a country like India may not be able to contribute adequately to education and training for non-traditional, individual self employment. Such education and training, to have an impact, requires large scale investments in infrastructure and institution building. NGOs may be neither ideologically inclined toward such activity nor have the resources for it. This will remain a task which the government and formal sector institutions must continue to perform.

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Education and Training for the Informal Sector

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ACKNOWLEDGEMENTS

My acknowledgement to Professor Kenneth King for providing this opportunity for an open and collaborative debate leading to new insights into the subject under study.

Appreciation is also extended to the co-ordinators of the CIDE and Chile Joven programmes for contributing valuable information to the study and on-going debate, and to OREALC specialist Daniel Weinberg for his comments.

The final version of this document was elaborated during the Meeting of the research team for the O.D.A Project 'Education and Training for the Informal Sector' , (London and Edinburgh, 22-26 November, 1993) and the ILO Expert Consultation on **Training for Self-employment through Vocational Training Institutions** (Turin, 29 November - 2 December, 1993). The debates which took place during both meetings allowed for an exhaustive intercultural assessment of the subject under study.

ACRONYMS AND ABBREVIATIONS

CEPAL	Economic Commission for Latin America and the Caribbean (Comisión Económica para América Latina y El Caribe (see ECLAC)
CIDE	Centre for Educational Research and Development (Centro de investigación y desarrollo de la educación) (NGO)
CINTERFOR	Inter-American Centre for Investigation and Documentation on Vocational Training (Centro Interamericano de investigación y documentación sobre formación profesional)
DUOC	Peasant and Workers Department, Catholic University of Chile (Departamento Obrero Campesino de la Pontificia Universidad Católica de Chile)
ECLAC	Economic Commission for Latin America and the Carribbean (CEPAL)
FLACSO	Latin American Faculty of Social Sciences (Facultad Latinoamericana de Ciencias Sociales)
FOSIS	Solidarity and Social Investment Fund (Fondo de Solidaridad e Inversión Social)
INACAP	National Training Institute (Instituto Nacional de Capacitación)
INE	National Statistics Institute (Instituto Nacional de Estadísticas)
INFOCAP	Institute of Education and Training for the Popular Sectors (Instituto de Formación y Capacitación Popular) (NGO)
INJ	National Youth Institute (Instituto Nacional de la Juventud)
MECE	Project for the Improvement of Quality and Equity in Education (Proyecto de mejoramiento de la equidad y calidad de la educación)
MINEDUC	Ministry of Education (Ministerio de Educación)
MINEPLAN	Ministry of Planning (Ministerio de Planificación)
OEP	Popular economic organizations (Organizaciones económicas populares)
OIT	International Labour Organization (ILO) (Organización Internacional del Trabajo)

OREALC	Regional Office for Education in Latin America and the Caribbean (Oficina Regional de Educación para América Latina y el Caribe)
OTE	Technical executive organization (organismo técnico de ejecución)
OTIR	Technical intermediate organization (organismo técnico intermedio)
PEA	Economically active population (población económicamente activa)
PET	Economy and Work Programme (Programa de Economía del Trabajo)
PIIE	Inter-Disciplinary Programme for Research in Education (Programa Interdisciplinario de Investigaciones en Educación)
PROJOVEN	Youth Programme (PROGRAMA Joven)
SENCE	National Employment Service (Servicio Nacional del Empleo)
SERNAM	National Service for Women (Servicio Nacional de la Mujer)
SOFOFA	Association for the Development of Trade and Industry (Sociedad de Fomento Fabril)
SOINTRAL	Investment for Work Company Limited (Sociedad de inversiones para el trabajo limitada)
TAC	Cultural Action Workshops (Talleres de Acción Cultural) (NGO)

1. INTRODUCTION

This study presents a series of reflections on the role that training for the informal sector can play, within the framework of `the adjustment and modernizing productive transformation' process which is currently taking place in Latin America. The two case studies of Chilean training programmes for unemployed youth provide a basis for further research into training for the informal sector.

Rapid modernization has reinforced rather than weakened the structural characteristics of the so-called `informal sector'. Moreover, the political democratization which has taken place in the majority of the countries of the region has not led to redistribution within the informal sector, which continues to be made up primarily of subsistence-oriented activities.

The study starts from the central question: Is the Latin American state willing and able to take on the responsibility for training deprived sectors of the economy? Other questions to address are: Is it feasible to confront this task at the local level or will it require large-scale programmes or perhaps the creation of specialized training institutions or flexible non-formal training systems which focus on specific groups (youth, women, female-headed households, disadvantaged adults)? Is the design of training models for the informal sector of the economy crucial or are we facing a much more complex and broader process characterized by the informalization of capital-labour relationships? There is a need for research in this field. Furthermore, are nation-states concerned with comprehensive education and training as a means to self-employment or income-earning occupations under regulated and fair conditions, or they encouraging training programmes which promote precarious labour insertion in modern sector enterprises? These programmes would result in graduates going from unemployment and/or under-employment to legitimized forms of under-employment or employment under conditions of labour deregulation, instability, and low remuneration.

This study begins by providing the general background to training for the informal sector in Chile. It then goes on to examine two Chilean training programmes for unemployed youth in an attempt to provide answers to the above questions. Next, the experiences of these programmes and the social and economic conditions which influence them are compared. Finally, a set of reflections on training for the informal sector is developed. The programmes selected for scrutiny allow comparison of two proposals: comprehensive training versus `social or labour insertion'.

2. GENERAL BACKGROUND

2.1 Training for the Informal Sector: a necessary condition for modernization

In the Latin America of the 1990's, the creation of dignified, stable, satisfactory and well remunerated job opportunities as part of economic and social development is still an unfinished task.

For its part, education is perceived by many as the axis of development models which constitute an alternative to the dominant neo-liberal scheme; both education and knowledge play a pivotal role in ECLAC's `productive transformation with social equity' model (ECLAC, 1992) as well as in the proposals of `human resource development' and `ecodevelopment'. However, the concept of education as an instrument for increased productivity and international competitiveness, marked by a total disregard for those involved, is being widely disseminated.

The region is living through a period of rapid modernization characterized by: nation-states withdrawing from many of their functions; increasingly more segmented and discriminatory labour markets; persistent inequality; and expansion of a type of education that does not appear to yield social benefits for its participants. Proposals advanced within the framework of these challenges demand thinking of development in terms of integrating education into the world of work.

The informal sector finds itself at the hub of these tensions. First, it is an inherent part of Latin American modernization and, judging by the last two decades, it is here to stay. Second, the informalization of production and work relationships impinges in particular on young generations, endangering the region's future. The informal sector is becoming the most likely source of employment even for those individuals with relatively high educational levels but very limited means. Third, while the informal sector does make use of labour intensive technology, fast worldwide technological and scientific progress makes incorporation into international markets more difficult, unless value is added to products through the addition of knowledge. Finally, a growing informalization and deregulation process is being witnessed in terms of the capital-work relationship (or private sector regulation) which involves productive activity as a whole, and argues for reformulating the definition of the informal sector as understood in the eighties. The most important meaning of 'informal' now relates to this informalization process which is affecting a large part of society (the future of which is difficult to gauge). As a counterpart, according to available projections, over the next few years the modern sector will not develop fast enough to ensure the incorporation of future generations of labour.

In the light of the above, the question involving training for the informal sector becomes a focal point of debate concerning Latin American society and its fate within a framework of modernization. The answer to this question will remain contingent upon self-employment training, intersectoral programmes aimed at improving the quality of life of citizens, and promoting their ethical and cultural development.

2.2 Nature of the Study

This study focuses on a single country (Chile) and examines two training programmes for youth of limited means, the unemployed, and those under-employed or seeking work for the very first time. These are a) `Chile Joven', a work training programme sponsored by the Ministry of Labour and Social Work; and b) a training programme for unemployed youth run by CIDE, an NGO in the field of popular education.

Although both programmes are involved in the training of marginal urban youth as well as those who are not permanently or successfully inserted in the world of work - for whom consequently the informal sector represents the most likely source of employment - one programme focuses primarily on the informal sector, the other on the modern sector.

Although it was decided to limit the scope of this study to two programmes, reference is made to other Chilean training programmes for women of limited means who are heads of household.

2.3 Approach to the Study

Case studies constitute a means for evaluating general trends. Consequently, the two Chilean training programmes examined in this paper and references to other Chilean programmes provide a basis for reflecting on education and training for the informal sector in the Latin American context. Questions concerning the integration of education and the world of work and the role played by the state in educational provision are present throughout this essay.

Recent political democratization, implementation of social investment policies, rapid economic and social modernization (all of which coexist with neo-liberal economic policies), the emphasis on market schemes, alongside the persistence of inequalities and the emergence of new forms of marginality, are some of the features that justify the selection of Chile for this study. These contradictions surface in the field of training, in the options open to the informal sector, and particularly in training in this area.

Within Chile, the selection of programmes for this study was not an easy task. **Currently there are no programmes under the heading `training for the informal sector.'** However, some training opportunities for individuals of limited means whose most likely source of employment is the informal sector (CIDE, INFOCAP, and other programmes) exist in the field of popular education.

The programme developed by CIDE was selected for the following reasons: high continuity (1980-1993); its targeting of youth whose main source of employment is the informal sector, and for their continued endorsement of this option; a training approach from and with the community, which maximises the use of local resources (as opposed to traditional approaches that offer services); a broad training plan; the creation of productive workshops; and successive institutionalization and follow-up programmes. Furthermore, this local programme has been rated by its coordinators as being successful and exemplifying `sound practice.'

On the other hand, the government has set up a large-scale programme for a period of four years (1991-1994), aimed at curbing youth unemployment. Under the Chile Joven programme 100,000 young people are expected to be reached, with 50,000 already receiving training between 1991-1992. This programme constitutes the most important state strategy for solving the problem posed by marginal youth, with the aim of incorporating its beneficiaries into the modern sector through market mechanisms. Training, as conceived by this programme, is a means of market insertion through business enterprises; employment training does not provide comprehensive training; training is largely provided by the private sector where the content of training and work opportunities is determined by the executing training organizations, most of which are in the private sector.

In selecting this programme, consideration was given to the central role it is playing within social investment policies, its wide coverage, its approach favouring `opportunity' over training, the use of explicit market mechanisms, and omission of the informal sector as a referent in its formulation. Once again, the programme has been rated by its coordinators as both successful and an example of sound practice.

The contrasting nature of these programmes provides the opportunity to compare two different approaches to the same problem, as well as to observe change and permanency in training policies and strategies over a decade and two different political regimes. Lastly, the programmes selected are defined from the start by the population they intend to cover, bringing about a sort of convergence between youth and labour insertion problems. In this respect, they also allow an analysis of the association between youth and labour market marginality and the various solutions designed from the standpoint of training, depending on whether the referent is the informal or the modern sector.

Two aspects of the study deserve further comment. Firstly, CIDE evaluated its impact on working conditions at the outset of the programme (1981-1983), but no measurements were made in subsequent years; Chile Joven conducted an evaluation for the period 1990-1992, but its results remain confidential pending official announcement. Secondly, the young people catered for by both programmes have high levels of education, averaging eight and ten years for the CIDE and Chile Joven programmes respectively.

2.4 Information Sources

Secondary data were basically used: work reports, internal and external evaluations, publications on selected Chilean programmes and bibliographies on training for the informal sector of the economy, and evolution of the informal sector and youth in the broad Latin American context. Primary data, obtained through personal interviews with those responsible for the selected programmes, were also utilized. No field visits were carried out.

It is important to point out that the study is based on the information furnished by those responsible for the programmes, and no attempt was made to compare their perceptions with those of students, teachers, or craft instructors, members of community development organizations, municipal offices, and other liaison entities.

3. THE COMPARATIVE STUDY

3.1 Social and Educational Context

3.1.1 Modernization and Equity

a) The Chilean context at the present time is characterized by political democratization and rapid modernization co-existing with social inequality and the non-clarification of institutional responsibilities regarding the violations of human rights which had occurred during the previous two decades.

With regard to the persistence of social inequalities, the number of persons living in conditions of poverty continues to be significant, fluctuating between 3 and 5 million, according to various sources. Similarly, a polarized distribution of income is observed: while 80% of the population earns around US$200 p.m. or less (minimum salary amounts to: US$ 150 p.m.), only 3% have incomes higher than US$ 900 p.m. and annual income per capita amounts to US$2500 (MINEPLAN, 1993; INE, 1993; specialists individually consulted, 1993).

b) The Chilean economy is undergoing rapid modernization, with a configuration typical of developing countries, since it relies heavily on service activities and the extraction of natural resources. Evident indicators of the above are increasing urbanization and 'third party activities' (almost 60% of the population works in services of one type or another), with the most dynamic sectors being construction and financial services which have grown around 20% during the last year. Similarly, almost 25% of the working population is self-employed, while employers account for barely 4% (National Employment Survey, INE, 1993).

c) According to official statistics, Chile appears to have left unemployment behind and its economy seems to be undergoing full expansion. According to INE (1993) the unemployment rate in the population comprising 15 years of age and over was 4% in 1992 and 5% in 1993, while in the 15 - 24 year old population it was 16% in 1992.

The Economically Active Population (PEA) in 1993 amounted to 54% of the working age population, which is defined as the population aged 15 years or more (National Employment Survey, INE, 1993). This figure shows a significant increase from that of 43.5% for 1980 (representing a rise from 3,800,000 to 5,100,000 persons), which would constitute evidence of the dynamism of the economy. However, it is necessary to point out that the definition of the employed population assumed by INE (every employed person working more than 2 hours a week during the week preceding the survey) allows the inclusion as employed persons of those who are subject to the most diverse forms of under-employment. Consequently, if we associate growth of the PEA - as measured above - with participation of the informal sector in the overall amount of productive activity during this period (40%), expansion of the PEA between 1980 - 1993 would be associated to a great extent with temporary or irregular jobs (under-employment). This situation affects women particularly.

If the more reliable surveys of the capital city are consulted, such as the `Employment Survey for Greater Santiago' carried out by the Economy and Work Programme (PET) -a non-governmental organization which discriminates between formal and informal employment and uses a stricter definition of employment - then a greater rate of unemployment becomes apparent, particularly among youth and low income groups. Effectively, in 1991, in Greater Santiago, 14% of the labour force was unemployed and employment amounted to 25% among young people and 30% among the persons belonging to the first income quintile; additionally, 60% of unemployed persons fall in the two lower income quintiles. Consequently `the unemployment rate continues to hit poor people particularly hard'. (PET, 1992: 29)

3.1.2 Women and Youth

a) Discrimination by gender in a country like Chile, undergoing rapid modernization, assumes a subtler form than in traditional contexts. Chilean law acknowledges equal rights for women in most fields of activity and in the private domain women have considerable external freedom. However, a patriarchal type of culture prevails and a significant proportion of women subscribe to macho-type values and are psychologically dependent on masculine figures. The above explains, for example, the fear women have of becoming autonomous, of developing their potential and particularly of assuming the role of workers. This culture permeates all aspects of social life, but with regard to training and the labour market, specific discriminations pertain, as summarized below.

b) Female participation within the labour force is low (33%, or 1,600,000 women in 1992; INE, 1993). Additionally, the female labour force represents only 30% of women aged 15 and over. In this sense, unemployment, and to a greater extent what is termed `inactivity' in the National Employment Surveys (a combination of unemployment and sporadic non-registered jobs), affects women more than men. The significant localization of tertiary activities, unstable, poorly remunerated work involving long hours, as well as the over-representation of women in the informal sector, are some of the indicators of gender discrimination. It is interesting to note that, even in the capital city (Santiago), participation of women in the PEA, although slightly increasing, continues to be low at 38% (PET, 1992). A similar process is observed in the Greater Santiago area in relation to the level of inactivity: 57.5% of the female population is inactive, while the percentage of inactive men is 25%. In the population as a whole 42% of men are inactive, while women are over-represented at 77% (PET, 1992).

It is important to stress that in Chile women's participation in the economy is typically in under-employment, subsistence self-employment or in transit from one job to the other, with occasional periods of employment, inactivity and unemployment. As Galilea says the greater rates of unemployment among women are explained because women `pass quickly from active to inactive [sic] activities, although they may engage in sporadic and short-term jobs.' (1993: 2)

c) Gender discrimination in education is subtle and becomes more visible under extreme circumstances. Firstly, women are illiterate to a greater extent than men, particularly in native Indian areas (the Region of the Araucania) and in marginal sectors of Greater Santiago. Recent research indicates levels of absolute and functional urban and rural illiteracy significantly higher than those registered by the population census (TAC/OREALC/UNESCO, 1993). Secondly, women have greater difficulty in gaining access to and graduating from higher education, particularly with respect to professional careers socially sanctioned as `non-feminine', as well as obtaining work under equal conditions with masculine counterparts who have similar levels of schooling (OREALC, 1992, Messina, 1990).

d) As part of its social policy the democratic government has created a special institution for promoting women, the SERNAM (Servicio Nacional de la Mujer `National Service for Women'). This is an organization which promotes rather than executes policy, and has focused its activities on women coming from lower income backgrounds and particularly on women who are household heads. The social and economic vulnerability of female heads of household is a proven fact worldwide; they have, inter alia, lower incomes and more persons under their care than their masculine counterparts (McGrath et al, 1994: 71). This condition does not only affect women, it also has a multiplying effect on their children.

e) With regard to young people, they continue to be more affected by unemployment and by the difficulty of becoming permanently incorporated in the world of modern production. It is also more difficult for them to generate income that permits anything beyond survival. Disenchantment appears to be the feeling that best sums up young people's reaction to the situation. The expression used by young people themselves is `I'm not even half interested'. The high incidence of deviant behaviour and electoral abstention are indicators of their attitude towards a world that excludes them. Their employment situation can be summarised as follows.

f) In 1990, young people, who make up nearly 37% of the overall population, only represented 20% of the labour force. Unemployment affects them significantly: they are over represented among the unemployed (50% of the unemployed are young people) and youth unemployment continues to be treble that of the adult population (according to INE and Chile Joven estimates, the rate of unemployment among youth amounted to 16% in 1990, 12% in 1992 and 10% in 1993; according to the 1991 PET Survey it is 25% for Greater Santiago).

Despite the fact that unemployment among young people is not as dramatic as in the years immediately after the 1982 crisis (it fluctuated between 35% and 40% at that time, according to PET data), during 1982-86 200,000 - 300,000 young people had been left out of the market (Chile Joven estimates and MINEPLAN, 1993).

At the same time, the highest incidence of unemployment is among the youngest (15 to 19 years old), but in absolute terms the most critical group is the 20 to 24 year old segment, where there are 82,000 unemployed (INJ/Projoven, 1993).

g) If the trend observed for the whole of Latin America is applied to the Chilean case, it turns out that labour marginalization is increasingly affecting young people; the most serious consequence of this, according to ECLAC, has not been in the economic-employment sphere, but that stemming from the educational system (ECLAC, 1991).

h) For this reason, starting from the election of the democratic government in March, 1990, young people, particularly those from low income sectors, became one of the priorities of public policies on social investment, with a view to compensating for the marginalization that occurred in the decade of the eighties.

The government has begun the promotion of multi-sectoral strategies for young people, creating in 1990-1991 the National Youth Institute (INJ), originally as a 'commission'. This organization is in charge of coordinating policies for young people which originate in the different areas of state administration (culture, education, work, health, sports, recreation, and others). The INJ has operated as a link between the state and young people, with a promotional focus on education and culture. Among the main programmes carried out, the following can be stressed: the Young Card, the Youth Information Center and the House of Youth. Similarly, there is Projoven, a government Opportunity Programme for young people, consisting of 44 projects in 7 areas coordinated by INJ, of which almost 70% have an educational or labour nature. Chile Joven has become a central Projoven programme.

3.1.3 Educational Situation: General Characteristics

a) The Chilean educational system is indicative of the level of modernization achieved by the country. It is characterized by its high coverage in basic and secondary education (92% and 76% respectively, MINEDUC, 1992) as well as by a low illiteracy rate (around 6%). However, some of the problems associated with the type of education offered are: poor quality, limited social validity, segmentation along socio-economic lines, and inadequate resourcing (with both social and pedagogical consequences). 'A significant failure rate in the first levels of basic education (particularly in marginal urban and rural areas) is observed, which represents an additional expense of approximately US$33 million per year in basic education alone, in relation to an optimum yield of the system' (OREALC, 1992).

In the system as a whole factors relating to the decentralization process, privatization and education segmentation according to social class, locality (both urban and rural), cultural and ethnical conditions as well as gender are interrelated.

b) There is a high level of participation of the private school sector at all levels, which in the case of basic education amounts to 38%, one of the highest levels in Latin America (OREALC, 1992). Higher education is a symbol of automatization and privatization of the system. There are 174 institutions, most of them private, of which 50 are universities (MINEDUC, 1992). However, there is limited coverage at the pre-school level (14%).

In summary, the education system is highly heterogeneous but because it fails to deal adequately with diversity it reproduces inequality. This is not immediately apparent if the focus is placed on conventional indicators of internal efficiency.

c) Adult education does not constitute a priority for the government. Registration in formal state adult education has been significantly reduced during the last ten years, particularly basic adult education (decreasing from 100,000 to 16,000 students). Additionally, low quality education provision for young people coming from low income sectors, who have recently withdrawn from regular basic or secondary education, is now well established. Both trends, the decline in registration and the limited social validity of the state adult education on offer, have continued during the democratic government. However, during the past two years some comprehensive and innovative state experiences have been encouraged which could provide a framework for the design of massive adult education policies.

Non-formal education for adults offered by some NGOs within the field of popular education is made up of a large number of different micro experiences which provide alternatives for solving problems and for organizing and safeguarding the poorer sections of the population, as well as being potential models for state programmes and policies. The government is coordinating its efforts with those of the NGOs, but, despite the fact that this is a fundamental task for the decade of the nineties, it is still to be concluded.

d) The recent laws regarding `Shared Financing' and `Donations' (1993) provide a support system for education through contributions made by families as well as through donations given by enterprises which are tax-deductable. The beneficiaries of the above are municipal and subsidized private educational establishments providing basic, secondary and pre-school education, as well as associates of the National Service for Minors. Despite the fact that the objective is to increase resources for the educational sector by retrieving existing funds, these laws have been very controversial, given that they can increase segmentation of the system and can operate as a privatization mechanism. These measures constitute a new articulation between the public and the private sectors, promoted by the state.

e) The coordination of formal and non-formal education is still a pending task in Chile, as it is in the rest of Latin America.

3.1.4 Technical Education and General Education at the Secondary Level

a) Basic and secondary education constitute the educational priorities of the government. In 1990 a programme called `The 900 Schools', focusing on deprived schools, was started to improve the quality of basic education. Similarly, the Project for Improvement of Quality and Equity in Education (MECE), coordinated by the Ministry of Education, began in 1992. The latter operated as a `project system' for basic and secondary education. At the basic level action projects were designed from and by the institutions and selected through bids, and at the secondary level research programmes, also selected through bids, were to be financed with loans from the World Bank.

b) The crisis in secondary education is basically one of `anomie' regarding its objectives: there is consensus that it does not prepare young people either for the world of work or for the university (ECLAC, 1992). It is very expensive and operates with obsolete technologies.

c) Secondary education is characterized by high internal segmentation both in terms of its administration (municipal-run secondary education, private subsidized, private non-subsidized, and secondary education financed by production corporations and others) and the type of education offered (academic secondary education versus technical secondary education with specialisms such as commercial, industrial, vocational, agricultural).

d) In this context, secondary education is currently the object of intense debate and questioning. Within the framework of an educational policy aiming at consensus, an `educational conversation' was initiated in 1992 regarding secondary education, consisting of a national-level consultation of parents, professors and students (MINEDUC/MECE, 1993). This was for the purpose of determining the structure of secondary education, the appropriateness of different models, its duration, the degree of specialization for technical/vocational education as well as topics relating to secondary education and values, quality, equity, the function of secondary education for young people, their participation in the process etc. One of the central topics was whether it was justifiable to continue with a technical/vocational education different from general secondary education or if it was more appropriate to design a unified secondary education, the purpose of which would be general broad formation.

e) Technical/vocational education at secondary level (lasting four years) - which follows compulsory basic education (lasting eight years) - represents 39% of overall registration in mid level education (264,000 students out of 675,000 MINEDUC, 1992) and is divided into unequal courses in terms of quality of education, continuity of studies and labour insertion. The most popular specialisms are business (110,000 students) and industrial (95,000 students). Specialization, within the framework of a flexible syllabus, could begin between the first and third years.

Municipalities control 42% of secondary education registration, production corporations and others 17%, and private subsidized establishments 39%. The private non-subsidized sector controls only 3% (MINEDUC, 1992). The above structure, which shows little coordination, is the result of the decentralization of the eighties, which had produced further segmentation of an already divided system of technical secondary education of widely varying quality.

f) The continuing debate is centred on the validity of an early technical specialization with immediate job placements versus general basic education. At the same time, discussion continues as to whether general education should be followed by professional education at the tertiary level or by on-the-job training within the company. The most frequent answer, derived from the `educational conversation of 1992', has been support for the continuation of technical education at the middle level as separate from the rest of secondary education and at the same time a proposal for late specialization to strengthen general education inside the diversified technical education stream. Similarly, the parties responsible for the improvement programmes of technical secondary education under MINEDUC give account of a `persistent demand' by communities and parents of limited means for the expansion of technical secondary education, favouring an arts and science based secondary education with technical specialization (MINEDUC/MECE 1993).

g) According to a diagnosis made by an organizational improvement programme in 1990 (Fundación Andes - MINEDUC) based on a sample of technical secondary education institutions specialising in the construction, electricity and electronic sectors, run by two production corporations (The Chamber of Commerce and SOFOFA) and by municipalities, this level is characterized by its heterogeneity and its emphasis on `education for the poorest'. No relative advantages were observed in the institutions run by the corporations in comparison to the municipal offices. On the contrary, schools administered by these organizations presented the typical problems of technical secondary education i.e., a weakness of general education, failure to link theory and practice, traditional teaching methods and isolation from the world of work and its demands. Consequently, the change to corporations does not appear to have met the original objective, namely to tie in education with the world of enterprises and their technologies (Fundación Andes, Corvalan et al, 1990). Moreover, the technical secondary education sector which depends on production corporations has generated study plans providing immediate job opportunities, that demand flexibility and multiple proficiencies.

h) In 1990, a joint programme of quality improvement and equity in technical secondary education began, which included inter alia: i) `the improvement programme of the Fundación Andes (1990) at local level, already mentioned above; and (ii) the so-called `Facilitation of Humanistic-Scientific Institutions with Technical Education Specializations at Secondary Level' (MINEDUC) developed during 1992-1993. Both were targeted at vulnerable populations, with the participation of 87 schools from all over the country. Their main objective was to diversify the educational activities of the arts and science streams of municipal secondary education. These schools competed in projects generated by the educational community relating to the implementation of specializations of technical secondary education relevant to local development. The selected institutions were supplied with equipment and given teaching training activities (MINEDUC/MECE, 1993). In 1994, the MECE media and the Fundación Los Andes will continue with improvement programmes coordinated by the institutions themselves, with self-initiated methodologies.

3.2 What is the Informal Sector?

a) Modern society, characterized by a process of instrumental rationality, generates at the same time chaotic spaces which are functional to the needs of the system. One such space is the so-called `informal sector'.

b) The category `informal sector' was created in the early 1970's to give meaning to the emergence of an invisible or informal area of non-institutionalized activities or opportunities that were not susceptible to inclusion in a single job description and as a result were difficult to quantify and record in statistics.

c) King's question (1977) as to whether it was the same population which was involved in the informal sector of the economy as in non-formal education continues to be valid almost 20 years after it was first asked. The answer cannot but be affirmative: the most deprived groups, whose most probable sources of employment are marginal and discontinuous, are also those participating in second-rate education, designed for persons who were unable to join or remain in the educational system during their school age. The circle of poverty is an unbroken circle.

d) Despite the long time that has elapsed since the `discovery' and conceptualization of the informal sector, this continues to be an area which is difficult for researchers to characterize internationally, of limited social and political visibility and subject to a severe lack of information. Similar to the case of non-formal education, the informal sector implies theoretical controversies, diversity of empirical configurations and casuistic approximations.

e) The informal sector is presented as a permanent phenomenon, the nature of which is structural. According to Palma (1992a), it is a typical and inherent dimension of peripheral capitalism and not one of its delayed residues. Furthermore, Palma proposes the incorporation of the concept of `informality' in opposition to the informal sector. Informality is defined by denial: `these are different forms of participating in the world of work, all of them characterized by the fact that they do not follow the typical pattern of contractual labour market relations where labour is bought and sold.' (Palma, 1992a: 16).

According to King (1992, 1993), the informal sector is a reality that is not limited to the `second economies' of Africa or to black markets. Rather it is present both in developed countries as well as in those undergoing development. Furthermore, King (1993: 1) warns about the non-correspondence between the evolution of the concept of informal sector and the nature of self-employment.

These reflections lead to a re-definition of the informal sector as the `other' sector running parallel to the one characterized by permanent, regular employment. The informal sector can be described as: i) a process of informalization involving a group of limited means as well as a group of middle-class origin who, at vulnerable stages, often fall into subsistence levels characteristic of the informal sector; ii) a group characterized by constant changes from one working situation to another, by unemployment, sub-employment and jobs exceeding normal working hours. Consequently, the most distinctive aspect of the informal sector is 'discontinuity' and not its legal status or the type of labour insertion as suggested by Palma (1992a). The above highlights the difficulty involved in clarifying the boundaries between the formal and informal sectors.

f) Data available about the Chilean informal sector are contradictory and insufficient, as INE does not use this category and the re-classification of occupations that has been used in censuses and surveys differs from one to the other and tends to under-estimate the informal. Furthermore, the PET Employment Survey, which does classify the entries according to formal-informal, only makes reference to Greater Santiago.

g) According to statistics obtained in 1990 by re-grouping categories, 31% of the population belonged to the informal sector, a figure that increased to 44% in the case of women and decreased to 24% in the case of men (FLACSO, 1992). These figures include domestic service. If domestic service is excluded, the differences due to sex are not significant, in opposition to the world trend which shows an over-representation of women in the informal sector.

According to the PET Employment Survey (1991) which explicitly measures the informal sector, participation in the informal sector in Greater Santiago is around 29%, and in the case of women, it increases to 37%, including domestic service (PET, 1992). However, if one takes into consideration that, although the informal sector is predominantly urban, the proportion of the population joining the informal sector in rural areas (particularly in the case of rural women), is significantly higher than in the cities, one can safely assume that, at national level, the informal sector is at least 10% larger than that estimated by the PET for Greater Santiago (39% rather than 29%).

Within this framework, therefore, it can be asserted that for more than a decade the informal sector in Chile has engaged around 40% of the economically active population (2 million persons in 1993) despite the fact that the registers present a more formalised picture (PET Survey, 1992; Palma, 1992b; FLACSO, 1992; PREALC, 1991; specialists consulted individually).

This situation runs parallel to a generalization of modern contractual relations and an expansion of social security coverage, particularly in urban areas (for 1991, 83% of the population earning salaries in Greater Santiago had a work contract and 72% were covered by some social security system, PET, 1992). According to some information sources, this regularization process was tied up in the past with tax pressures, while at present the trend is being reversed and formalization is due to a concern by the state for local development because of its capacity to generate employment.

h) The informal sector is mainly made up of self-employed persons. In Greater Santiago, 55% are self-employed, 24% are in domestic service, 18% are persons working in enterprises having 5 workers or less and 3% are in family non-remunerated manual labour (PET, 1992). In national employment surveys, the presence of a significant number of categories relating to self-employment and personal services allows one to infer a similar trend.

This composition of the informal sector implies that subsistence self-employment prevails over any other type of informal economic organization (from productive workshops and labour workshops to cooperative micro-enterprises and `sustainable' micro-enterprises). Additionally, while most self-employed workers are men (75%), almost all service staff are female (98%).

On the other hand, it is observed that in Greater Santiago the groups with the greatest participation in the informal sector are the most deprived (36% of those in the first income quintile but only 10% of those in the fifth income quintile). These are persons employed in the service sector with low or no qualifications, 35 years of age or over, and women, if domestic service is included (PET, 1992).

i) Given the high number of self-employed in the informal sector, it cannot but be concluded that the number of micro-enterprises in this sector is small. However, a set of simultaneous and contradictory phenomena can be observed:

   i) There is a state policy of promoting this type of productive unit, that does not differentiate between informal or modern sector micro-enterprises.

   ii) The greater part of economic activity in Chile is carried out by micro-enterprises but these only account for a small percentage of sales in a highly polarized productive system undergoing growth. According to the Ministry of the Economy the dynamic growth of the economy is expressed in terms of expansion in the number of enterprises, which between 1991 and 1993 had increased by around 10% (from 426,000 to 465,000). Of the total number of enterprises, 83% are micro-enterprises (387,000), 14% are small enterprises (66,000), 1.2% are mid-size (5800) and only 1.5% are of considerable size (6800). Additionally, while micro-enterprises account for 75% of sales, mid-size enterprises 6%, and small ones 14%, micro-enterprises contribute only 5% of the total national income from sales.

   iii) There is no accurate information about the proportion of the labour force working in micro-enterprises, nor of the percentage of micro-enterprises that can be classified as belonging to the informal sector versus those that are located in the modern sector. Some estimates make reference to the fact that approximately 40% to 50% of micro-enterprises are informal (some 154,000 to 183,000 micro-enterprises employing some 500,000 persons).

   iv) A small proportion of informal micro-enterprises belong to the category of `popular productive organizations', which, at the same time form part of the larger category of the so-called `popular economic organizations' (OEPs). This phenomenon of the `popular economy' has constituted during the last two decades a resistance culture to the military regime. The democratic government has continued its expansion; it is however undergoing a complicated process of change.

v) A brief description of the OEP is necessary in order to understand the nature of micro-enterprises.

According to the 1991 Census of OEPs (PET, 1992), OEPs are groups focused on resolving economic problems through solidarity, assisted by aid networks and support institutions (public or NGOs) dedicated to the promotion of this type of unit. At a national level there are around 4400 OEPs, concentrating some 100,000 persons (5% of the PEA of the informal sector). The OEPs are associations of different types (from organizations for consumers and self-help, common meals, `let's buy together', self-construction organizations, to technical training workshops, trade unions, and family micro-enterprises, productive workshops and others). Their common characteristics are: group action (they are opposed to individual autonomy), internal and external solidarity (networks) aimed at satisfying basic economic needs; strategies involving comprehensive solutions closely related to the poor sectors; a high concentration in the major urban areas (74% in the Metropolitan Region).

Popular economic organizations have had sustainable growth since 1982 (500 in 1982, 2200 in 1989 and 3300 in 1991 in the Metropolitan region; PET, 1992). Although a typically urban phenomenon, their presence - however minor - throughout the country shows that other areas associated with poor sectors can be developed as an expression of greater local development. They provide an organized solution to social marginalization.

vi) One type of OEP is the popular productive organization, of which there are 2800 throughout the country. These are made up of groups focusing on the production of goods and services. They include solidarity labour workshops and different types of micro-enterprises.

Popular productive organizations have grown rapidly during the last four years and now group around 20,000 workers. They average 7 persons per organization, work with minimal resources, and have a weak insertion in the market and limited access to circles holding power (PET, 1992). Solidarity labour workshops, which function sporadically and are mainly formed by women, account for 50% of people working in popular productive organizations. 60% of the productive organizations of the Metropolitan Region (no data is available for other regions) are concentrated in clothing and dressmaking activities, diverse crafts, shoes and leather work in general, bakeries and food products, service workshops and furniture. They are linked to government support agencies (particularly the FOSIS, the Social Solidarity Fund), non-governmental agencies (the PET, CIDE and the municipal offices, among others), coordinating institutes, training agencies, commercialization and credit agencies (SOINTRAL, Liberación Cooperative, Fundación Solidaridad, others), micro-enterprise community associations, etc. and even have their own broadcasting organizations as well as annual exhibition, and fairs to sell their produce.

Despite their dynamic economic appearance, the popular productive organizations make up a very small percentage, both of informal micro-enterprises (an estimated 1.5%) and of the PEA that participates in the informal sector (1%, or 20,000 out of 2 million persons). They are concentrated to an even higher extent than the OEP group in the Metropolitan Region and are almost completely urban. They are dedicated to traditional activities and have difficulties in inserting permanently into the market. Many of them appear and disappear in a trend which is very characteristic of general employment behaviour in the informal sector.

j) What is the forecast for this situation? According to the PET (1992: 28-29) the possibility is open for productive organizations, given existing government and non-government support, to establish themselves as a broad mechanism of labour insertion. The risk, however, is that the gap between solidarity workshops and micro-enterprises will widen, given that government policies have favoured efficiency over solidarity, an intrinsic component of the former type of organization.

On the other hand, according to PREALC (1991), Chile is one of the countries in the region (together with Costa Rica and Colombia) that have a good economic forecast. The growth of the urban economically active population (PEA) is less than the regional average and there is considerable advancement in productive transformation. The informal sector is stable and shows a decreasing trend towards the end of the nineties (PREALC, quoted by Palma, 1992a).

These two forecasts are derived from two different sets of belief. One centres on social integration and the emergence of new forms of economic-social association. The other centres on the modern sector enterprise. A conflict now faces the institutional activity of this country.

3.3 Programmes

A description of the two programmes selected as case studies allows one to observe changes in public training policies for the informal sector, the role of the state and NGOs, as well as that of entrepreneurs.

In the case of Chile, public training policies over the past decade are notable for their absence of reference to the informal sector. The CIDE programme makes its appearance in the eighties as the sole testimony of a `value oriented' training concept involving a comprehensive educational project concerned with promoting self-employment.

On the other hand, Chile Joven represents the spiralling neo-liberal ideology: functional training designed to incorporate young people into the labour market. This is **an employment policy** rather than **a training policy**, which plays the same leading role in policy formulation as in other Latin American and Caribbean economies, that of the `strong' regional model in the process of rapid modernization.

3.3.1 Training Policies and Strategies in the Context of the Nineties

Changes in the social and political context - understood as a power struggle and not merely as a set of external factors - affect the reorientation of policies, strategies and public training policies.

1. The Chilean state has tried to coordinate its actions with the private sector, both with regard to education as well as to occupational training. This type of coordination was begun by the military government and has continued as part of the neo-liberal policies of the democratic government.

   Despite the fact that participation of the private sector in education continues to be very significant as well as unequal, in that it has altered the very principle of public education, it is also true that the state is currently interested in reversing such a trend, promoting at least a basic and secondary education `for all'.

   However, as far as training is concerned, the state has currently developed the neo-liberal model, which limits itself to promoting, administering and supervising training, leaving the definition and execution of a great part of the training programmes to the arbitration of the market.

2. The National Employment Service (SENCE), created in 1976, is the organization that centralises the training process and administers different types of programmes, the execution of which is delegated to independent and recognised institutions. SENCE training programmes include training scholarships (state subsidies) for unemployed people in general, enterprise-based training programmes and special training programmes (also through scholarships), as for example Chile Joven, and programmes for women under an agreement with the SERNAM (National Service for Women). In this way, SENCE has a network of technical execution organizations that are in charge of direct training activities (OTEs) - most of them private - and intermediate technical organizations (OTIRs) that administer and coordinate training activities particularly for small enterprises, but which are not authorized to carry out training activities. This system is completed with business firms demanding training. They buy training for their workers or employees through the OTE and/or receive students in need of work practice belonging to other training programmes managed by SENCE.

3. The state finances part of occupational training, that related to the employed population, through tax exemption and the rest is paid for out of the regular budget of the Republic. Tax exemption allows the company to deduct the training expenses of its workers from its income tax, up to a top limit of 1% of annual salaries. This idea

implies new relationships between the public and the private as well as the possibility of transforming public resources into private ones by promoting the training of employed workers. However, tax exemption has not been fully used by companies, having only used to date a third of their tax allowance (SENCE, 1993).

4. According to SENCE data for 1992, while in 1977 61% of the public contribution for training was invested in training scholarship programmes for the unemployed, this declined to 30% or less during the 1980's so that by 1986 it amounted to only 10%. This increased again during the first two years of democratic government but in 1992 it was still only 30%. Similarly, despite the fact that in 1992 the persons undergoing training were some 285,000, and the number of participants in the training programme has doubled in the last decade, most (261,000) are concentrated in company programmes which only benefit the employed population. In 1992 Chile Joven participated with some 21,000 young persons in 1992 (a total of 72,000 having received training over the three years since its start in 1991), at a cost of 5 billion pesos, while training scholarships only benefited some 2000 persons in 1992 and 2800 in 1993, at a cost of 200 million pesos (SENCE, 1993).

   Consequently, in this system where the public and the private sectors are interrelated, the state assumes, in partnership with business firms, the role of demanding training, without providing it directly. Instead it delegates this function. Furthermore, as already mentioned, most of the training is requested by the business firm, which means that this training is destined for the employed population, according to enterprise needs and within the framework of the modern sector of the economy.

5. The participation of women is marginal in the SENCE set of programmes: 5% in training programmes paid for by companies, 5% in teaching programmes, 32% in the scholarship programme for the population in general and 43% in Chile Joven (having increased from 35%).

6. At the beginning of the eighties the decline in the number of long-term training institutions (INACAP, DUOC) accelerated. The National Training Institute (INACAP) began to be regulated according to the self-financing principle and was incorporated into the non-university higher education sector. This transformation was made at the expense of training activities, which were transformed into transaction-type services in the market. Programmes for the unemployed or free election programmes for independent or dependent workers were discontinued and courses for managers or middle-technical employees were favoured, as were activities organized and financed by enterprises through tax exemption or courses financed by the SENCE scholarship programme.

   When the democratic government took power in 1990, DUOC and INACAP had already ceased to exist. INACAP had been given over in 1989 to the private sector and its structure had been decentralized and broken up into independent `business units'. This situation was not changed by the democratic government. It meant the loss of know-how accumulated over more than three decades. Consequently, the efficiency focus has been favoured in this institution, along with the focalization of the non-university higher education provision and the employment of market mechanisms. In the field of training it operates as one of the OTEs in the network coordinated by SENCE.

7. Technical secondary education and occupational training operate in Chile like separate compartments. Furthermore, the whole structure of the education system (both formal and informal) as well as occupational training is uncoordinated. This trend is common to all countries in Latin America. Coordinated experiences apply only to specific programmes and not to the educational system as a whole.

In the case of Chile, while the Ministry of Education is responsible for formal education at all levels and for extra curricular activities, the Ministry of Labour and other organizations of the state body, such as SENCE and FOSIS (Social Solidarity Fund), control occupational training while delegating its execution to private training agencies.

This division between education and occupational training, which ultimately separates everyday life, work, training and knowledge, constitutes without doubt the first obstacle to the promotion of self-employment, as well as to any form of autonomous learning.

8. The political democratization process started in 1990 brought about: a) the end of state relief employment and conflict-avoidance programmes (such as minimum employment) and b) the adoption by the state of a training strategy for groups of limited means, mainly associated with the modern sector. During the military regime, training activities designed for marginal groups had been limited to micro-experiences undertaken by civil society, as part of a political resistance and economic and social subsistence process (spearheaded by NGOs associated with popular education and/or church groups).

9. The social debt inherited from the previous government, particularly in terms of poverty and mass unemployment heavily affecting young people, forced the government to adopt emergency measures in 1990, giving rise to a massive and costly state training policy focusing on youth of limited means who had been excluded from both the productive process and the educational system. In this way, Chile Joven got underway without the benefit of prior studies on training needs, potential demand or access mechanisms which would have facilitated its organization and implementation. Indeed, Chile Joven was launched even before its design had been completed.

10. The persistence and consolidation of neo-liberal schemes during the period of democratic government gave the public training strategies for deprived and unemployed groups (youth and women) a new and `private' physiognomy. A `training network' for deprived people, coordinated by the state, was created which consists of many performing organizations, mainly private, and two state managing organizations (SENCE and FOSIS) which oversee the training. Following the principle of `subsidiarity', under which the State restricts itself to supervising economic activity, it

promotes (or demands) rather than supplies training, delegating to civilian organizations, mainly in the modern sector, the execution of the training. These training organizations (including the OTEs), largely private in nature, are accredited by the state. They include the institutions known as OTEs, training organizations accredited by SENCE and others, for example organizations that manage technical education at secondary level. Within this framework, training for deprived people became restricted to semi-skilled trades and offered for one time only. Training became subordinated to temporary and subsidized labour insertion in modern sector enterprises. The phasing out of the last and most important public training institution (INACAP) saw the concurrent emergence of new training organizations (the OTEs) representing the supply of training in a freely competitive market. A floating training 'system' was established - which was reviewed at each bid - involving a large number of organizations which defined training priorities, models and content at their own discretion.

11. Within this setting, the state did not support the growth of training experiences developed by NGOs in the field of popular education, nor did it use them as a model for new action guidelines (as in the case of CIDE's programme for unemployed youth). Similar situations have been observed in other educational areas, eg in basic adult education.

On the contrary, implementation of the programme was delegated to a countless number of state-accredited training organizations which, in turn, defined programmes based on business sector needs. Hence, young people were now confronted with a pre-determined and alien supply of training, reminiscent of traditional school models. Furthermore, marginalized youth remain excluded from training.

In short, the state assumes the training of deprived sectors in acceptance of its social responsibility, only to later pass it on to training organizations of a private nature. They, in turn, set up courses prompted by the needs of entrepreneurs rather than by those of young people.

12. The contradictory social and political setting - particularly the coexistence of political democratization with social and economic inequality and neo-liberal schemes - has paved the way for the state to become responsible for the training of lower income sectors and the creation of a training service network made up of diverse organizations (public and private, goods and services concerns, training institutions, non-profit foundations, universities, etc.).

However, the presence of divergent institutions has not been coordinated by the state with a view to focusing training on the needs of the socially vulnerable (a redistribution approach). This task of coordination is still pending; the market logic that guides public training policies continues to condone inequality.

13. State training policy for those of limited means is sustained by an organized belief system, based on two central ideas; a) the best combination for the social integration of

the disadvantaged sectors is basic education followed by labour training in or for the enterprise. This model, sustained by the World Bank and CEPAL, is extremely vulnerable (McGrath et al, 1994). In the case of Chile, the high segmentation of basic education is the main obstacle, in addition to the implications of leaving training priorities in the hands of the private sector and the creation of education-training circuits differentiated by socio-economic level; b) training is a means to increase labour insertion or reinsertion in the modern enterprise, moving persons who are engaged in the informal sector or who are unemployed or inactive.

14. Among popular economic organizations, there are technical or craft training workshops (110 listed workshops in the Metropolitan Region and the VIII Region with 3400 participating persons) that supply services to 16% of the persons forming part of the popular productive organizations (PET, 1992). Once again we are dealing with micro-experiences. These reach only a few persons, and furthermore, only those already incorporated into those circuits.

15. It is important to stress that occupational or management training for informal micro-enterprises is directed at already established micro-enterprises. However, it is not possible to determine the number or magnitude of programmes and institutions due to a lack of available data. Additionally, while the majority of occupational training activities coordinated by SENCE (for the employed, unemployed, and inactive population) is associated directly or indirectly with the modern sector of the economy, occupational or management training for promoting the creation of micro-enterprises or other forms of self-employment is limited to government programmes or to non-government programmes of limited coverage. Government policy has consisted of sub-programmes for the micro-enterprise within a broader programme of labour insertion or re-insertion rather than occupational training. These limited programmes are aimed at critical groups as, for example, youth outside the educational or productive system (the case of the Chile Joven programmes), or women who are unemployed, inactive or heads of household (such as courses oriented towards the micro-enterprise in some of the pilot or national programmes of SERNAM).

16. The main factor contributing to the dynamism of informal micro-enterprises is without a doubt the state's interest in the micro-enterprise in general. Furthermore, official policy is focused on the promotion of modern micro-enterprises as well as of informal micro-enterprises in the process of transition towards the modern sector, by encouraging the transfer of resources from the informal sector to the modern. At the same time, the informal sector is not included in the government's political and economic agenda (nor is training for this sector).

The pending question is whether it is possible to have a public promotion policy of the micro-enterprise separate from politics and training programmes for self-employment or whether priority should be given to the creation of a context where training activities promote the formation of productive associations for self-employment and vice versa. This is a challenge the government has to face.

17. Two labour factors increase the distance between the public training policies and the demands of social reality: a) the labour market is the main reproducer of social differences by reinforcing basic discriminations: social class, gender, age, ethnic origin. The educational system also reproduces social differences but plays a secondary role (Tedesco, 1983). This axiom, valid at a regional level including Chile, implies the acceptance of the divorce between education and employment, in such a way that education can less and less guarantee incorporation into the labour world; b) labour insertion depends to a large extent on casual jobs and/or self-employment (40% of the PEA are engaged in the informal sector).

Additionally, the division between education and occupational training has been perpetuated, as well as the orientation of training towards the modern sector, in a sort of paradox which consists in training for a sector of the economy over which trainees have no control.

18. In this context, the programme of CIDE stands alone. For more than a decade this programme has been training young unemployed persons with a view to self-employment and establishing a basis for the creation of productive workshops. Furthermore, it has provided technical training in the communities while safeguarding personal and political autonomy. This programme has tried to close the gap between the already established micro-enterprise and the different types of self-employment.

3.3.2 Training: Who does the Training, to What End, for Whose Benefit?

19. While the CIDE programme, developed from a NGO in the popular education field, focuses on training for employment for marginalized youth (ie overall preparation) and encourages the creation of youth organizations and micro-enterprises (7200 participants at local level), the Chile Joven programme emphasizes the social insertion of youth into the labour market through market mechanisms and the increased productivity of the system. The latter programme enlists the participation of the state, training institutions, and entrepreneurs: the state demands training, accredited training institutions which have been selected through a bidding system define and implement the courses on offer, and entrepreneurs provide placements for work experience of young people (50,000 participated in the programme between 1990-1992, a figure that should increase to 70,000 when national bids for 1993 in 219 training institutions, 82% of them in private hands, are taken into account). The occupational training offered by sub-programme 1 (In-House Work Experience and Training), which accounts for 80% of the activities, consists of 200 training hours in a trade (semi-skilled manual labour) followed by on-the-job experience. Training is subordinated to insertion in the world of work through a wage-earning relationship.

20. CIDE may be defined basically as a training programme, whereas the Chile Joven programme stresses labour experience as its main component.

21. Occupational training is seen by the CIDE programme as a mechanism to develop personal and social growth in young people, a strengthening factor of self-esteem and

organization, and a `promotional' approach to training/preparation. For its part, Chile Joven designs and evaluates its activities in terms of immediate efficiency and effectiveness (short term insertion in the labour market).

22. The ability to design a flexible training space, which involves the community (meeting of the community's instructor-artisan with his/her students), is participative, and able to promote confidence and reflection on daily living and the working world, is considered the main virtue of the CIDE programme.

23. Its explicit concern with the training of women and the high female component of its beneficiaries (60%) is another significant achievement of the CIDE programme. Conversely, Chile Joven shows a greater male presence (between 60-65%). Those responsible for the programme ascribe low efficiency to training activities involving women, since once trained they do not often join the world of work.

24. The maximization of community resources as implemented by CIDE is opposed to the use of business firms as learning spaces, a strategy favoured by Chile Joven. Furthermore, while one encourages self-employment and the creation of productive workshops, the other emphasizes labour insertion through wage-earning jobs.

Finally, while the one programme is concerned with designing an alternative training methodology which underscores the pedagogical dimension, the other focuses on its impact on the labour market rather than on training.

CIDE is a long term programme (1980-1993), with pilot and experimental stages, successive institutionalization, adjustments and differentiations (training programmes for instructor-artisans, training programmes for co-ordinators, etc.) whereas Chile Joven is an emergency programme, lacking preliminary research and pilot/experimental stages, which started implementation even before its design had been completed.

25. In CIDE's case, the grassroots and community development organizations act as the link between young people and the central level; in Chile Joven, this role is played by municipal offices, in other words, a decentralized level of the state apparatus.

26. The participants are not the same in these two programmes. While CIDE works in collaboration with organized communities and in a `door to door' fashion, Chile Joven recruits young people on an individual basis through a `self-focusing' strategy (participants `turn up', but only those the programme offers relative advantages to). Besides, state programmes concentrate on the `more redeemable' marginalized youth, those regarded by entrepreneurs as having social credibility, while CIDE works with young people of very limited means who are drawn to the programme through liaison organizations.

Despite these differences, participants do share some characteristics: they are fundamentally urban youth, mostly 15 to 24 years old, outside the educational and productive systems, and with high levels of education (an average of 8 years for CIDE and 10 years for Chile Joven).

27. The motives and time frame of these programmes differ. CIDE, created in 1980, focused on the informal sector because of its fast growth and vulnerability, and aimed to assist young people who lacked the necessary tools for joining the labour force (formal or informal). The assumption was also made that most young people would be seeking employment in the informal sector, due to the scarcity of jobs in the modern sector.

Chile Joven, created in 1990, concentrated on the critical contingent of unemployed youth produced in the eighties, who have been unable to find employment in an unregulated market (200,000 to 300,000 persons). Its main purpose is to insert these young people into the modern sector, while the task of transferring manpower from the informal to the modern sector is somehow assumed.

28. Both programmes acknowledge the structural nature of the informal sector and the `labour marginalized' condition of those individuals who can only access the lower productivity jobs of the informal sector.

The CIDE programme is explicitly targeted at the informal sector while the Chile Joven programme claims responsibility (through the programmes `Freelance Work' and `Education and Training') for young people's requirements associated with the informal sector, self-employment or other forms of freelance work (Ministry of Labour and Social Security, Bulletin 121, CINTERFOR-OIT, 1992: 97).

In actual practice, however, most of the activities of the Chile Joven programme are geared towards the modern sector, while only some 3,000 young people, accounting for 5% of the total number of beneficiaries, have participated in the `Freelance Work' subprogramme.

3.3.3 **Results**

29. In terms of results, both programmes have met their formulated objectives. In CIDE's case, this was achieved through the training of marginalized youth (at a micro-experience level) using an alternative training methodology. Furthermore, unanticipated results have been observed, such as securing employment within the community and creating productive workshops.

Additionally, in the field of popular education, this was the first experience conducted in Chile that involved young people in reflecting critically on their work and its organization.

Other important accomplishments of the CIDE programme should be noted, such as the undertaking of on-going institutionalization of similar experiences and their evaluation, the readiness to accept and incorporate criticism, the growing differentiation of training functions and subsystems within the programme, and the links with other CIDE research projects.

For its part, the Chile Joven programme, when taken as a whole has proven efficient, since results for the first three years (72,000 graduated students) have approached the proposed target in terms of numbers (an expected 100,000 graduates over the four year period).

When comparing the results with the original objectives for each of Chile Joven's subprogrammes, certain differences may be seen: subprogramme 1 has been effective, insofar as over a period of three years (75% of the duration of the programme) it has provided a service to 80% of its target population (56,000 out of 70,000). However, measured by the same standards, subprogramme 2 is still at the design stages, and subprogrammes 3 and 4 are a long way from meeting their objectives. Over a period of three years (75% of the programme's duration) the latter two subprogrammes have reached 30% and 55% of their target populations respectively (programme 3 has catered to 3,000 out of 10,000 expected participants, and programme 4 to 11,000 out of 20,000 expected participants). In short, training associated with business firms has been most effective in terms of consistency of results - the number of graduated youth. This is the only large-scale programme of its kind and the most visible feature of Chile Joven.

30. Considering the short and medium term qualitative impact sought by Chile Joven: insertion of young people in the labour market, transfer of long-lasting benefits to beneficiaries and to the system, positive effects on productivity, and the creation of a new training system, it is questionable whether in fact these effects have been achieved.

Available data show that the programme strays from anticipated results. The only evidence is that of a `temporary labour experience' undergone by a significant number of young people. This experience legitimizes the presence of in-house semi-skilled and subsidized manpower, and as a result a rise in production, if any, might be attributed to the use (and eventually the over-exploitation) of unskilled manpower rather than to the incorporation of trained personnel. Lack of accurate data on the programme's occupational impact precludes assessing the nature of the labour insertion that follows work experience (we just know that half of the programme's graduates remain employed). Neither can it assess the extent to which labour insertion is explained by training or `other' factors e.g. the characteristics of applicants (previous work experience or educational level) or dynamic market factors. The question is still unresolved as to whether incorporation is achieved through unstable and poorly paid jobs.

3.3.4 Critical Issues in Institutionalized Programmes

31. With regard to Chile Joven, if the principles, strategies, and results of this programme are analyzed from a comprehensive training perspective - where occupational training,

overall education, and work experience converge - and taking as an operational model the subprogramme which has catered to the largest number of young people (In-house Work Experience and Training programme, it may be concluded that: a) the occupational training delivered is semi-skilled, does not include personal formation components, and fails to provide the necessary skills that new technologies demand (200 hours means training for only four hours a day over ten weeks); b) because training is not part of an ongoing training and employment system, young people cannot re-register; c) training, restricted to semi-skilled trade formation, has been subordinated to work experience which, in turn, has provided young people with the means for temporary access to business enterprises (mainly large and medium sized firms) in semi-skilled positions, with scholarships amounting to 50% of the minimum wage.

32. The principle of state subsidiarity is reflected in several dimensions of Chile Joven. First, state training is almost completely implemented (and its funds administered) by the private sector. Second, training entails a benefit for the private sector (business firms profit from free and temporary manpower). Third, state resources for training are allocated to the private sector through market mechanisms (the periodic award of public contracts). Fourth, the supply and demand for training is co-ordinated by the private sector which, additionally, defines training priorities (through OTEs in consultation with entrepreneurs). Fifth, the creation of new jobs, as a response to marginalization, becomes the responsibility of the market which implements it through its own mechanisms, although the programme itself acknowledges that this regulation is insufficient and bears a high social cost. Sixth, young people are subjected to market mechanisms in several ways: a) they become acquainted with the programme through market mechanisms (large scale publicity) which depends on their degree of insertion in the market (those most affected by marginality and/or `social damage' are the least likely to find out about the programme); b) young people are selected according to their `market credibility' (since the state pays OTEs per trained youth, the latter will obviously choose students who are not likely to drop out and stand a good chance of being accepted by potential employers); c) at the semi-skilled level the programme is devised so as not to vie with middle level technical secondary education or with more skilled adult workers; young people are classified according to skills and placed at a level where competition or mobility beyond a transitory semi-skilled position is barred; d) young people do not receive accreditation for experience gained, only for attendance; young people are granted a scholarship equivalent to 50% of the minimum wage which sanctions their subordinate status.

In this way, for young people market mechanisms constitute reality and semi-skilled under-paid jobs and discouragement become customary, ultimately giving rise to a naive vision of the world. Hence, `market regulation' turns into the natural regulation of economic and social activity.

33. The Chile Joven programme advances two lines of action that ought to be examined: a) young people's precarious insertion in the working world derives from their scant

experience and lack of skills; b) training is a social investment policy, its impact being felt in human resource development and the productivity of the economic system.

These hypotheses are opposed by a set of substantiated facts. First, in Latin America the expansion of the educational system has not gone hand in hand with a concomitant increase in the quality of education. We are witnessing a process of segmentation of the educational supply which breeds social gaps. Second, increased education has not resulted in greater opportunities for labour insertion, since the labour market is the major propagator of social inequity through the use of social discrimination criteria: ethnicity, gender, age, and social status (Cfr. Tedesco, 1983). Third, training does not in itself increase productivity or act as social investment, unless it implies a comprehensive education-work project and is accompanied by a state policy of social redistribution. Fourth, young people's marginality does not result from their lack of experience as individuals or groups, but from the way Latin American societies confront the integration of young generations, the essence of Latin American modernity being characterized by a permanent flow of shifting exclusion-integration boundaries.

34. With regard to CIDE, the organization-mediated training structure assumed by this programme only reaches young people living in communities where base groups or community development institutions operate. Hence, the question arises: how about know-how, does it reside in CIDE or in liaison organizations, and what are the available mechanisms that would allow the generalization of findings and the facilitation of exchange among participating entities?

35. The level of training offered by the CIDE programme (semi-skilled manual labour), the preponderance of courses associated with services, particularly traditional female occupations (3,000 students, out of a total of 7,000, have enrolled in hairdressing, dressmaking, and knitting courses and some 1,000 have taken up electricity; CIDE 1993), and the lack of certification (only attendance is certified), are aspects that must be examined. These skills should be compared with the economic demands of a society undergoing modernization at an extremely fast pace.

36. The expansion of productive workshops among their own graduates and the continuity of workshops (only 50% remain operational), given their possibility of providing productive economic spaces which constitute an alternative to the modern sector, is another aspect as yet unresolved by the CIDE programme.

37. The isolation of the CIDE programme relative to state actions, less severe now than during the military regime, its reliance on international funding, and the difficulties attending the promotion of youth organizations are limitations acknowledged by those responsible for the programme and corroborated by this study.

3.3.5. The State's Role in Training

38. The state today, in assuming the role of `training claimant' and placing young people in the market through market mechanisms, continues to operate using the neo-liberal economic policies that regulated the country for over a decade, in a complex process wherein formal political democratization, a neo-liberal approach in social and economic matters, progress and setbacks in the solution of basic issues such as justice and equity in all dimensions of society, are `intertwined' without apparent coordination. In the specific area of the education-work relationship, this modality implies leaving in the hands of private individuals not just training activities, but also the creation of employment policies.

The structure of subprogramme 1, which epitomises the Chile Joven approach, has resulted to the following:

a) The most destitute young people, and/or those most exposed to 'social damage' or already suffering from it, are not part of the target population.

b) The informal sector is not an action referent, except for two minor subprogrammes (despite the fact that the informal sector is an important reality in Chile).

c) The programme has failed to create new training practices or produce a structure of its own to manage its actions; it delegates most of its initiatives to SENCE, despite the fact that the latter institution has not undergone significant changes in orientation. Currently, as was true in the early eighties, SENCE's referents are modern sector business firms, and it requires that training organizations place students in business enterprises for work experience.

d) The programme has neither developed nor adapted an alternative training methodology, following CIDE's lead, aimed at retrieving the community's know how and resources, and encouraging the organization and self-esteem of young people; rather it continues to promote the development of a fixed training supply, external to the interests of young people, and limited to occupational training.

e) The programme is characterized by a short term economy-oriented approach, the main goal of which is immediate job placement; additionally, it constitutes an emergency programme designed to handle a `poverty belt', and not so much an education-work programme (paradoxically, an emergency programme featuring high overall and individual cost).

f) The programme has not brought other actors into the training debate: educators, union workers, organizations supportive of highly vulnerable and discriminated groups such as the National Youth Institute (INJ), and SERNAM, young people and adults marginalized by the modernization process; neither is the programme coordinated with the objectives and strategies of the formal educational system, particularly regarding solutions to the lack of quality and equity observed in basic and secondary education.

g) The programme lacks the mechanisms to channel the demands of young people by young people themselves or by their organizations, but restricts itself to self-focusing strategies which effectively exclude the more severely marginalized groups from the programme; or it offers them courses, which perceived as services, are felt to be external.

h) Municipal offices, the programme's gateways, are not seen as young people's private spaces (in addition to having negative political connotations, for they were part of the state bureaucracy of the military regime).

i) The pedagogical and technical quality of the training supply is one of the dark areas accessible to the programme only through voluntary technical assistance.

j) Females participate in the programme in smaller numbers than males (female participation has risen to 43% from 35%).

39. Organizing a training system based on Chile Joven could only be accomplished through fundamental changes in training methods and in the role assigned to the state and the various social agents.

To date, Chile Joven is a set of training activities developed by `offering institutions participating in public bids' (out of a universe of accredited organizations, some of which participate in public bids in a random fashion) which have yet to comprise a stable system in terms of effort exchange and harmonization.

3.3.6 Balance of Institutionalized Programmes

40. The main achievements of the CIDE programme clearly lie in its comprehensive approach to education, supplemented by research activities consistent with the nature of the institution which sired it.

a) The programme offers relative advantages with respect to other modes of national training supply; first, no other programme in the country provides 300 hours of training for young people (including general education), organized by the community and with the collaboration of community development organizations. This training is continued through productive workshops and education activities for the various participants (organizers, community co-ordinators and artisan-instructors); second, the programme relies on a comprehensive educational approach, not restricted to the teaching of a trade; third, it is cost-efficient.

b) This is still the only training programme for the informal sector which uses the methodology described.

41. In the political, social, and economic context of the Chile of the eighties, CIDE was regarded as an `innovation' (and an effrontery), since it entailed a change in the

customary view of training and employed popular educational practices. Today, it continues to be an education-work programme, for it aspires to comprehensively train young people, thus granting them labour autonomy, a proposal which differs markedly from the `training-social insertion' offer advanced by Chile Joven.

42. In contrast, Chile Joven highlights the difficulty of adapting state redistribution policies on training to neo-liberal development schemes. Within this setting, developing a precarious labour insertion strategy rather than one for training, and limiting the function of the state to managing and promoting the programme while delegating to the private sector the design of training and employment policies, have been perceived as major constraints. Likewise, it has failed to provide a pertinent supply capable of harmonizing the relevance of each of the actors involved (youth, community, social organizations, entrepreneurs, training organizations, state agencies). However, a mixed network of services has evolved, which could be the precursor of a formalised training system.

4. BY WAY OF CONCLUSION

4.1 Comments on the Two Programmes

1. In the scenario under study (Chile), public training policies are geared towards **socially critical and short and medium term conflict-carrying groups** (low income urban sectors, particularly youth and female heads of household) rather than towards the informal sector. This training is carried out in a setting characterized by rapid modernization, urbanization and a service-based economy.

2. Public training policies are primarily directed at **young people**, who continue to be the hardest hit by unemployment (16% in 1990), by obstacles to permanent access to the world of modern production, and by the inability to generate incomes that go beyond survival. The selection of young people as a priority group for state co-ordinated training is a global phenomenon.

3. **Women** represent the second target group for training activities, given their weak participation in the labour force (33%), their service-based occupations, inequalities and unsatisfactory working conditions, their reduced negotiating capability, and the diverging demands made on them from their various roles as workers, mothers, and organizers of family life.

   Both groups - youth and women - comprise a reserve army of labour which only becomes active in times of expansion, and tends to be chronically excluded the rest of the time.

4. Focusing public training policies on **low income female heads of household** conforms with the governmental decision to make women of limited means - and particularly female heads of household and young women - a priority population in every dimension of social interaction. Within this framework, SERNAM has been created, as

a promoting rather than implementing organization. Women have participated in Chile Joven as well as in three small state training programmes coordinated by SERNAM, which have been specifically designed to take women's needs into consideration, at the micro-experience level. However, while 72,000 young people (both male and female) have participated in Chile Joven, only some 3000 have been trained through state programmes specifically designed for women.

5. **Young men have participated in Chile Joven in greater numbers than young women** (60% for the four bids of 1991-1992, and 65% if only the first bid of subprogramme 1, In-House Work Experience and Training, is taken into account). Its policies have followed a `social insertion' rather than a comprehensive occupational-preparation training approach; in these programmes occupational insertion is primarily accomplished through modern sector business firms. This strategy exists alongside the phasing out of the last public training institution (INACAP), which had a leading role in the field of training of the Ministry of Labour and Social Work, entrepreneurs, and private training organizations.

However, young women in general, who have been less involved in Chile Joven, are not the main beneficiaries of small scale state programmes designed specifically for women, since these are directed at low income women who are heads of household, mostly aged over twenty-five.

6. When comparing male and female participation in Chile Joven subprogrammes, a marked predominance of males over females can be observed in the `Freelance Work' and `In-House Work Experience and Training' programmes (males account for 70% and 60% respectively); conversely, female participation in the subprogramme `Education and Training' which is destined for the more severely marginalized youth, increases to 45%. This situation reveals the double discrimination affecting women, that of social class as well as gender.

7. **Training activities for the informal sector** are limited to micro-experiences developed by non-governmental organizations (such as CIDE and INFOCAP) and by Chile Joven state programmes or subprogrammes of limited coverage, aimed at the more vulnerable groups: young people hardest hit by marginality and women of limited means who are heads of household. The absence of a large scale and explicit official training policy for the informal sector, particularly for self-employment and micro-enterprises, is at odds with contemporary informal sector persistence: the high participation of the economically active population in this sector (about 40%), significant unemployment among youth, and a contingent of unemployed and underemployed youth or those seeking employment for the very first time, approaching 300,000 (290,000 in 1990 and 250,000 in 1992, MINEPLAN, 1993).

8. One of the most significant pieces of evidence emerging from the study is the following: the silence surrounding the informal sector runs parallel to a concentration of public training initiatives around a massive short-term emergency state plan for unemployed youth (Chile Joven), which is directed mostly at the modern sector and is

defined by those responsible for its creation as an `opportunity' rather than as a training programme, the pre-eminent purpose of which is `youth insertion in the market through market mechanisms'.

9. In this setting the approach and methodology of a training/preparation programme for young people (such as CIDE) whose referent is the informal sector becomes relevant. The merit of CIDE's micro-structural programme is its alternative methodology, aimed at enhancing educational and cultural community resources rather than offering services, and the creation of a flexible educational space through training workshops, mediated by community development organizations. Additional virtues are its continuity, its capability to systematize its experience and change it accordingly, its association with research networks and the creation of increasingly more differentiated education systems and procedures. Its weaknesses are tightly linked to its origins: a proposal stemming from civil society with all the concomitant discontinuities that this brings.

10. In Chile, the economic crisis of 1982 and the political democratization process beginning in 1989 have brought about agreements between the state and entrepreneurs for implementing policies of co-ordination between education and the world of work. These policies, however, entail immediate returns and have been conceived from the system's standpoint: reduction of social conflict implies unemployment for youth and female heads of household, and for business firms keeping production costs low through the expedient of cheap or free state subsidized labour.

11. The state has assumed the social task of training groups of limited means. This marks a difference with respect to the previous period where training-education-self-employment-micro-enterprise programmes were part of a civilian resistance movement. However, the state undertakes this task in a setting characterized by the neo-liberal model, where the main referent for training continues to be modern sector business firms.

The informal sector has not become a policy referent. State co-ordinated self-employment programmes are confined to the more critical groups: female heads of household, youth susceptible to 'social damage' and high marginalization. For their part, micro-enterprises constitute a possibility for a very limited percentage of the population benefiting from state as well as non-governmental programmes.

12. The state has yet to create a training system or even flexible, participative, and medium term educational institutions.

Additionally, comprehensive training programmes versus `social insertion' programmes share three characteristics that ought to be reviewed: high retention which does not ensure medium term education, at a semi-skilled level, and a preponderance of service-oriented courses.

However, some of the limited coverage programmes of Chile Joven (`Freelance Work' and `Education and Training'), SERNAM sponsored programmes for female heads of household, and CIDE already feature the elements to launch this task: work education modules (containing self-esteem components, child care, labour regulation, etc.) and actions designed for improving participants' quality of life promoted by the programme with the collaboration of community organizations (child care centres, special business hours in public institutions, self-employment assistance networks, credit backing); benefits for graduates and an opportunity to join a stable local organization providing work and education.

13. If the informal sector accounts for 40% of the working population and if young people represent a substantial percentage of the said group (50%), would this not argue for a state training strategy focused on the informal sector? Is assigning priority to the programme of insertion into the world of modern enterprises (temporary and semi-skilled incorporation) not contributing to widening the gap between the informal and modern sectors? Is it not catalyzing the latter with a contingent of inexpensive and floating manpower, which will move from one sector to another, giving rise to that `labour marginalized' group the Chile Joven programme alludes to? Furthermore, is associating self-employment with the more severely marginalized groups not another way of endorsing exclusion and stratifying low-income groups?

14. In short, a valid educational strategy for populations marginalized from development, most of whom are found in the informal sector, remains to be defined in Chile. In both programmes surveyed, representing a massive and publicly acknowledged effort, training is delivered `for one time only', and at a level that prepares for working in low skilled jobs, regardless of whether these stem from the informal or modern sectors.

15. However, on an optimistic note one can say that the Chilean state has shown itself capable of generating a network of training institutions and services which, although unfinished, sets us on a path leading to a coordinated system.

16. The creation of a continuous education-work circuit in Chile, with multiple placements and returns, co-ordinated by the state and steered by principles of equity and reciprocity, with the purpose of promoting autonomous communal and individual organization, continues to pose a challenge for action and research.

17. The absence of accurate data on informal sector training, the evolution of this sector, and the undifferentiated public training policies directed simultaneously at the informal or modern sectors (with critical populations being always the target), comprise the context within which this study was conducted.

4.2 Occupational Training Programmes for Women

a) Occupational training programmes for women continue to be marginal in the political agenda of the nineties in Chile. The programmes in which only women participate are understood to be as such, designed to consider the condition of gender and to act upon the obstacles to the access and permanence of women in the training process.

Occupational government training programmes for women coordinated or associated with SERNAM (National Service for Women) constitute a significant effort to break the silence and space between the government and non-government sector and create scope for possible coordination in the future. The presence of SERNAM in the political arena constitutes in itself a significant innovation.

b) Two different institutional conglomerates are observed in relation to occupational training programmes for women. On the one hand, there are SERNAM government programmes, which are incorporated in comprehensive development plans (training is accompanied by health activities, attention to children, legal assistance, personal development etc), focus on female heads of household, have insertion and reinsertion labour objectives, and are undergoing an experimental phase, in order to find valid models for this area. These programmes, however, are only micro-experiences (the total number of graduates amounted to only 3000 between 1991 and 1993).

On the other hand, there exists an indeterminate set of non-governmental programmes, integrated into the so-called popular or solidarity economy, which are accompanied by management, leadership formation and support, business training, credit, organizational promotion, personal development courses, and others. These are micro-experiences targeted at low-income women in general, female heads of household, young women, temporary workers, micro-enterprises, and are focused in general on self-employment.

While government programmes have been able to create their own background information, the non-government programmes resort to traditional forms of popular economy as well as to popular organizations, that have grown during the last two decades. The foci are radically different in basic respects: in the former case, insertion in the modern sector is mainly sought and in the latter self-employment, under the more general framework of reactivation of the informal sector. However, in both cases, these micro-experiences are not coordinated.

c) There is a lack of state-sponsored occupational training programmes for women except for those carried out by or with SERNAM. This absence is manifest even in institutions like SENCE, an organization that coordinates training in Chile, and FOSIS, an organization created for the promotion of the poorest (and low-income women and in particular female heads of household are among the poorest). It is equally noticeable that institutions like the PIIE or CIDE, with a long educational and training background, do not have training programmes specially for women. This fact coincides with the low feminine participation rate in occupational training programmes for the population in general: 5% in company programmes, 32% in SENCE scholarship programmes and 43% in Chile Joven (SENCE estimates, 1993).

d) While the informalization of the economy is an obvious fact and the informal sector exists as a structural phenomenon, government occupational training programmes, all concentrated around the SERNAM, seldom focus on self-employment and the micro-enterprise.

e) Integrity and autonomy are essential conditions of the programmes for women; however, these are not easy to concretize. Despite the fact that government programmes propose the institutionalization of a `promotional environment' (supplementary services) in municipal offices and the promotion of women's organizations, there is little participation in the services offered by the programme. A set of factors contributes to this, such as: the lack of continuity in the lives of the women who participate, which affects both their access and continued participation in the programmes as well as any attempt at follow-up; lack of knowledge regarding services stemming from their limited use; the traditional isolation of women, which separates them from the supplementary services, even if they exist; problems in the functioning of the services, in particular their weak institutionalization at the operational level; rupture made by the participating women, who finish the course and tend to leave it behind; lack of precision in the programme data base, which makes follow-up activities difficult.

f) The greatest achievement of the occupational training programmes for women is the sense of trust in themselves developed by the participants, which without a doubt facilitates the search for work and their capacity to adapt to new situations. In a certain way, the sense of threat experienced by persons having no opportunity appears to be reduced.

In relation to the labour impact, achievements are not observed in the short-term. According to a recent evaluation of the SERNAM programmes (Messina, 1993), labour insertion had increased by 25% among those finishing the course.

g) However, occupational training produces other changes. According to the same evaluation, women participating in the programmes pass from being inactive to being unemployed and show an interest in organising themselves into workshops or micro-enterprises, which demonstrates that their conscience as workers has been awakened. Additionally, they present educational and occupational expectations which largely exceed their current condition.

4.3 General Recommendations

Finally, two recommendations dominate. Firstly, it is essential that there should be coordination of realistic state policies regarding formal education and the role of NGOs in popular education and solidarity economies. In particular, it is essential to standardize the different types of occupational training. Secondly, it is necessary to develop research projects with a view to duplicating and promoting innovative experiences. Part of this research should be directed at reviewing the conceptual framework pertaining to training and employment, particularly those aspects relating to insertion in the labour market.

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